

Terms and Conditions of Purchase of Rhombus Rollen Holding-GmbH

1. **Authoritative conditions:**

The legal relations between the supplier and the company Rhombus Rollen Holding-GmbH (hereinafter referred to as Rhombus) are based on these conditions and other agreements that may apply. Amendments and supplementary information are subject to the text form. The supplier's conditions shall not apply, including if such conditions have not been expressly rejected in an individual case.
2. **Orders and delivery:**
 - 2.1 Delivery contracts (orders and acceptance) and release orders as well as amendments and supplementary information are subject to the written form.
 - 2.2 A delivery note, containing precise details of the contents and the full order data in duplicate, is to be enclosed with each consignment.
 - 2.3 If the supplier does not accept the order within 10 days from receipt, Rhombus shall be entitled to withdraw.
 - 2.4 Rhombus may request alterations to the delivery item in terms of the construction and design to an extent that is acceptable for the supplier. In this context, the effects, in particular in respect of additional and shortfall costs, as well as the delivery dates are to be provided for reasonably and by way of common consent.
 - 2.5 As a matter of principle, additional deliveries are not permitted. A maximum tolerance of 10% upwards or downwards applies to products that are conditional on primary material. Irrespective of this, Rhombus reserves the right to return additional deliveries at the supplier's cost. In the case of each additional delivery, "partial delivery", "residual delivery" or "full delivery" and the like are to be noted on the delivery note and invoice.
 - 2.6 Depending on the agreement, deliveries shall be made by way of one-way, exchange packaging or Rhombus containers. External containers shall not be accepted or a guarantee cannot be provided that these will be returned at all or in their original condition. The cost of transport insurance shall only be borne by Rhombus if this is expressly proposed in the order letter.
3. **Payment and invoice**
 - 3.1 A separate invoice is to be submitted in duplicate to Rhombus for each consignment. If the invoice does not state all details specified by Rhombus, such as the complete order number, shipping type, logo, gross and net weight etc., considerable delays will occur in the regulation under certain circumstances.
 - 3.2 In the case of acceptance of early deliveries, the date on which payment falls due shall be the agreed delivery date.
 - 3.3 In the event of a faulty delivery, Rhombus shall be entitled to hold back payment proportionate to the value up until the delivery and / or service is properly honoured.
 - 3.4 Without prior, written approval, which may not be unreasonably refused, the supplier is not entitled to assign its receivables against Rhombus or have these collected by third parties. Approval shall be deemed granted in the case of extended reservation of title.
 - 3.5 Solely our terms and conditions of payment apply. We shall make our payments alternatively:
 - within 14 days less a 3 % trade discount
 - within 30 days less a 2 % trade discount or
 - within 60 days without any deductions.
4. **Notification of defects**

Rhombus is to inform the supplier in writing without delay of defects in the delivery as soon as it has identified these in accordance with the circumstances involving the ordinary course of business. The supplier hereby waives objecting to the delayed notification of defects. Replacements are to be delivered freight free.
5. **Guarantee**
 - 5.1 In the case of the delivery of faulty goods, prior to production (processing or installation) the supplier is initially to be given the opportunity to sort out and provide subsequent improvement or subsequent delivery unless this is unacceptable for Rhombus. If the supplier cannot conduct such measures or if it fails to honour these without delay, Rhombus may withdraw from the contract and return the goods at the supplier's risk and cost. In urgent cases, Rhombus may, following consultation with the supplier, perform the subsequent improvement or have this performed by a third party. The costs incurred as a result shall be borne by the supplier.
 - 5.2 If the same goods are repeatedly supplied faulty, Rhombus shall be entitled, following a written warning, in the event of further delivery of faulty goods to also withdraw with regard to the delivery scope that has not been honoured.
 - 5.3 If the fault is only identified following the start of production irrespective of complying with the obligations in accordance with sub-section 4, Rhombus may, beyond the regulation proposed in sub-section 5.1, only assert a claim for damages with regard to additional costs if this is set out in an agreement or the statutory requirements in this respect are met.
 - 5.4 At the supplier's request and cost, Rhombus is to make available to the supplier without delay the parts to be replaced by the supplier.
 - 5.5 The guarantee shall end upon expiry of 12 months calculated from the day of the delivery or the commissioning, namely in a manner such that all defects and damage are eliminated at the supplier's cost. In any case, the guarantee shall end at the latest following expiry of 18 months from delivery to Rhombus.
 - 5.6 In the case of chemicals, the supplier shall provide a guarantee for the duration of the storage period that is customary in the trade with consideration given to the storage options available to Rhombus which, on request, shall be made available to the supplier in detail.
 - 5.7 In the event of a differing opinion of aspects of a complaint that may apply, Rhombus shall be entitled, following consultation with the supplier, to commission a neutral expert opinion where possible of a technical university or the like. If the complaint is justified, the costs shall be borne by the supplier.
6. **Delivery dates and periods.**
 - 6.1 Agreed delivery dates and periods have binding force. Receipt of the goods at the Rhombus premises is authoritative with regard to compliance with the delivery date or delivery period. If a delivery is agreed upon as free domicile, the supplier is to make the goods available in good time with consideration given to the customary time for loading and shipping.
- 6.2 In the event of default in delivery, Rhombus shall be entitled to the statutory rights and claims. Rhombus is entitled, in particular, following expiry in vain of a reasonable additional period, to claim for damages regarding non-performance.
7. **Force majeure**

Force majeure, industrial action, riots, administrative measures and other unforeseeable, unavoidable and serious events shall release the contracting parties from the legal obligations for the duration of the disruption and to the extent of their effect. This also applies if these events occur at a time at which the affected contracting party is in default. The contracting parties undertake, as part of acceptable action, to furnish the necessary information without delay and adjust their obligations in good faith in line with the changed circumstances.
8. **Property rights**
 - 8.1 The supplier is liable for claims that arise in the case of use as per agreement of the delivery items from violation of property rights and property rights registrations of third parties of which at least one of the property rights family is published either in the supplier's domestic country, by the European Patent Office or in one of the states of the Federal Republic of Germany, France, Great Britain, Austria the USA and the like.
 - 8.2 The supplier shall render Rhombus and its customers exempt from any claims resulting from the use of the property rights.
 - 8.3 This shall not apply provided the supplier has produced the delivery items in accordance with drawings, models or other descriptions or details equated with these that have been surrendered by Rhombus, and the supplier is not aware or is not required to know in conjunction with the products it has designed that property rights shall be infringed upon as a result.
 - 8.4 Insofar as the supplier is not liable in accordance with the above regulation, Rhombus shall render the supplier exempt from any third party claims.
 - 8.5 The contracting parties undertake to mutually inform each other without delay of risks of infringements and alleged risks of infringements of which they gain knowledge, and give each other the opportunity to counter the corresponding claims by way of common consent.
9. **Product liability – exemption – third party liability insurance cover**
 - 9.1 If legal action is taken against Rhombus as a result of no-fault liability in dealings with third parties involving law (or provisions of a statute) which may be varied by agreement between parties, the supplier shall act in dealings with Rhombus as if it were directly liable. Section 254 BGB (German Civil Code) applies accordingly to the settlement of damage between Rhombus and the supplier. This also applies in the event that legal action is brought directly against the supplier.
 - 9.2 As part of this the supplier also undertakes to reimburse potential expenses in accordance with Sections 683, 670 BGB that arise in conjunction with the recall campaign conducted by Rhombus. Rhombus shall inform the supplier – where possible and acceptable – of the content and scope of the re-call measure to be performed, and give the supplier the opportunity to comment.
 - 9.3 The supplier undertakes to maintain product liability insurance with flat rate cover of EUR 5 million for each case of personal damage/EUR 1 million for each case of material damage. This does not affect further-reaching claims for damages on the part of Rhombus.
10. **Reservation of title - provision - tools - secrecy**
 - 10.1 The supplier reserves ownership of all goods it supplies up until payment in full; in this respect, all deliveries apply as a coherent delivery operation. In the case of ongoing invoices, retention of ownership shall be deemed to be security for its claims for payment.
 - 10.2 Insofar as Rhombus provides parts to the supplier, Rhombus reserves ownership of such parts. Processing or conversion by the supplier shall occur on behalf of Rhombus. If the reserved goods are processed with items that Rhombus does not own, Rhombus shall acquire co-ownership of the new item in the proportion of the value of the supplied item to that of the other processed items at the time of processing.
 - 10.3 Tools provided by or produced for Rhombus are, as a matter of principle, the property of Rhombus. The supplier undertakes to use the tools exclusively to manufacture the goods ordered by Rhombus. The supplier undertakes to insure, at its own cost at replacement value, the tools that are owned by Rhombus with cover for fire damage, water damage and damage caused by theft. The supplier undertakes to perform maintenance and inspection work that may be required at its own cost in good time. Disruptions that may apply are to be reported to Rhombus immediately. If the supplier fails to honour this requirement, this shall not affect claims for damages.
 - 10.4 The supplier undertakes to maintain strict secrecy regarding all images, drawings, calculations and other documents and information. These may only be disclosed to third parties following express approval by Rhombus. The obligation to maintain secrecy shall also apply once the delivery contract has been processed. It shall expire if and insofar as the production know-how stated in the surrendered images, drawings, calculations and other documents has been placed in the public domain. Sub-suppliers are to be placed under the same obligation accordingly.
11. **General provisions**
 - 11.1 If one of the contracting parties discontinues its payment or if insolvency proceedings are instituted regarding its assets or if court or extrajudicial composition proceedings are instituted, the other party shall be entitled to withdraw from the contract regarding the part for which performance has not been provided.
 - 11.2 In the event that a provision of these conditions or the affected agreements is or becomes invalid, this shall not affect the validity of the contract in other respects. The contracting parties undertake to replace the invalid provision with a regulation that comes closest to its economic outcome.
 - 11.3 The law of the Federal Republic of Germany applies by way of exclusion of the United Nations Convention on the International Sale of Goods.
 - 11.4 The Rhombus plant to be supplied is deemed the place of performance for the delivery.
 - 11.5 The registered office of Rhombus is deemed the place of jurisdiction provided the supplier is a general merchant. However, Rhombus is also entitled to bring legal action against the supplier at the place of jurisdiction with competence for the supplier's place of residence.