

General Terms and Conditions of Purchase



§ 1 Applicability

1. These General Terms and Conditions of Purchase are applicable to all purchasing activities between
 - a) EDAG GmbH & Co. KGaA, or
 - b) FFT EDAG Produktionssysteme GmbH & Co. KG, or
 - c) any of the associated companies of a) and b)

hereinafter referred to either individually or jointly as "Customer" on the one hand, and on the other hand its supplier – hereinafter referred to as "Supplier".

2. Legal relationships between the Supplier and Customer are governed exclusively by the following terms and conditions. Any deviations, modifications or amendments are to be made in writing. Any conditions of the Supplier which are contradictory or supplementary to, or which deviate from these conditions will not apply unless they have received the Customer's express, written approval. Under no circumstances is the acceptance of services and deliveries, or their payment, to be construed as acceptance of the Supplier's conditions.
3. As far as mutual commercial business is involved, these General Terms and Conditions of Purchase are also to be applicable to any and all future transactions between the Supplier and the Customer, even if, in an individual case, no express reference has been made to these General Terms and Conditions of Purchase.
4. These General Terms and Conditions of Purchase apply to any and all purchasing activities, regardless of whether they involve tools, machines, equipment, parts, raw materials, other materials, work or services of any type ("Contractual Item" or "Contractual Service").

§ 2 Offers / Orders

1. Offers are to be prepared for the Customer free of charge.
2. The Supplier is to draw specific attention to any points in the offer which differ from those in the enquiry documents.
3. Supply contracts do not come into being until the Supplier has either provided written confirmation of the Customer's order, or begins to provide the services or items detailed in an order placed by the Customer.
4. Should the Supplier fail to confirm a purchase order within a period of two weeks of receipt, and also fail to begin work on the Services or Items within the same period of time, the Customer is entitled to cancel the purchase order without being liable to the Supplier for any damages whatsoever.

§ 3 Scope of Performance / Modifications / Spare Parts

1. Details of the scope of performance are to be taken from the separate order, documents mentioned in the order as also being applicable, and also these General Terms and Conditions of Purchase. Any ideas, drafts, models, samples, or other results produced by the Supplier when providing the Contractual Services or Items are part of the work performance.
2. The Supplier will check any specifications, work descriptions, and other information made available to the Supplier for the execution of a supply contract, and any items, parts or other materials made available to the Supplier for the execution of the supply contract, to determine their suitability for the purpose intended by the Customer and its final customer. Should it become evident through this examination that it is necessary or advisable to make modifications or corrections to either the items provided or the object of the agreement, the Supplier is to inform the Customer without undue delay. The Customer will then inform the Supplier in writing whether, and if so which, amendments the Supplier is to make. Should the Supplier be of the opinion that such modifications might lead to a different price than that already agreed for the object of the contract, or to an inability to meet deadlines already arranged, then the Supplier is to point this out to the Customer without undue delay. Appropriate arrangements for handling any such effects, particularly with regard to additional or reduced costs and existing deadlines, are to be mutually agreed upon. If no consensus has been reached within a reasonable period of time, the Customer will decide as it sees fit.
3. The Supplier will ensure that it has timely knowledge of any information and circumstances necessary to the fulfillment of its contractual obligations, and also of the use to which the Customer intends to put the deliverables. Missing documents may be used as grounds of appeal by the Supplier only if the Supplier has made a timely, written request for the said documents, and failed to receive them within a reasonable period. The Supplier is responsible for ensuring that its supplies cover all the services necessary for approved, safe usage, are suitable for their intended use, and in line with current scientific and technical standards.
4. When performing the work, the Supplier will observe all relevant standards, laws and legal provisions under applicable law, in particular any relevant provisions appertaining to safety, environmental protection, hazardous substances and materials, and accident prevention, as well as the generally acknowledged safety-related rules and requirements of the Customer and its final customer.
5. Should regulation (EC) No. 1907/2006 of 18th December 2006 ("EC 1907/2006") be applicable to delivery items or services, then the Supplier guarantees that such delivery items or services comply with the requirements of EC 1907/2006 and all national regulations passed in the implementation of EC 1907/2006 (hereinafter "REACH"). The Supplier guarantees that all REACH-related obligations will be satisfied, including (pre-)registration, the provision of safety data sheets in accordance with REACH standards and IMDS data sheets. Should any delivery items or services provided fail to comply with REACH, the Customer reserves the right to withdraw from or terminate outline agreements or individual orders. The Supplier undertakes to inform the Customer without undue delay of any changes which would adversely affect compliance with REACH. The Supplier will indemnify and hold harmless the Customer

from any claims arising from the failure to comply with REACH requirements. Non-compliance with REACH requirements and obligations constitutes a defect that will entitle the Customer to avail itself of its warranty rights.

6. The Supplier is to inform the Customer of any permits and reporting obligations required by the authorities for the import and operation of the Contractual Items. In particular, the Supplier is to comply with any export control regulations relevant at the time of delivery and, unbidden, to inform the Customer in writing of any export control markings of the Contractual Items or parts thereof, particularly any valid, according to applicable law, for EU and US provisions at the time of delivery; this information is to be provided with the delivery at the very latest. The relevant export control list and list position are to be designated for every contractual item - or part thereof - subject to export controls.
7. The Customer is entitled, at any time prior to approval, to request that the Supplier make modifications, particularly if these concern design and construction. The Supplier is obliged to make the modifications on the basis of the existing contractual terms and conditions, without undue delay. Should the Supplier be of the opinion that such modifications might lead to a different price than that already agreed for the object of the contract, or to an inability to meet deadlines already arranged, then the Supplier is to point this out to the Customer without undue delay. Appropriate arrangements for handling any such effects, particularly with regard to additional or reduced costs and existing deadlines, are to be mutually agreed upon. If no consensus has been reached within a reasonable period of time, the Customer will decide as it sees fit.
8. The Supplier guarantees that, for a period of 10 years following delivery of the contractual items, it will be able to supply the Customer with additional Contractual Items or parts thereof as spare parts provided that, on account of technological progress, a compatible or adequate part cannot be supplied.

§ 4 Deadlines / Delay / Damage Caused by Delay

1. Any deadlines and delivery dates which have been arranged are binding. Adherence to agreed delivery dates or deadlines is subject to the receipt at the place of delivery of a defect-free delivery or service, or successful completion of the approval procedure or other performance test, if previously agreed upon or legally required.
2. The Supplier is obliged give the Customer immediate notification in writing of any discernible delay in its performance, any foreseeable possible delay in its performance, or any discernible or foreseeable problems in delivering in the agreed quality. Delays not caused by the Supplier itself may not be used as grounds of appeal unless the Supplier has fulfilled its obligation to notify the Customer.
3. Notification of delays by the Supplier and any related adjustment of the agreed delivery dates will by no means exempt the Supplier from any consequences arising from such delays, unless, when extending the delivery date, the Customer issues a written statement expressly waiving the matter of the consequences of the delay. Hence, despite the extension of the delivery dates following notification of delays by the Supplier, the Customer still remains entitled to all of its claims pursuant to the supply contract which result from, or are connected with, the Supplier's delay.
4. Should the Supplier fall behind with the contractually agreed performance, the Customer is entitled to claim liquidated damages from the Supplier, without setting any further deadlines. The amount owing for every commenced week of delay is 0.5% of the total value of the order, but must not exceed 10% of the total value of the order. This does not affect other claims. Any liquidated damages for delay are to offset any damage genuinely incurred as a result of the delay, and claimed for. The right to demand payment of liquidated damages is not forfeited following unconditional acceptance of the delayed delivery. Liquidated damages can be claimed by the Customer until the contractual items have been paid for in full.

§ 5 Force Majeure

1. In the event of acts of God, labour disputes, civil unrest, official measures and other unforeseeable, unavoidable and serious events, the parties to the contract are to be temporarily relieved of their obligations for the duration of the disturbance. The parties are obliged to supply the necessary information without undue delay, insofar as reasonably possible, and to adapt their commitments to the changed circumstances in good faith.
2. Should acts of God cause obligations to be suspended for a period exceeding two weeks, the Customer will be entitled to terminate the contractual relationship with immediate effect. In this case, the Supplier will be entitled to request reimbursement of any expenditure it can prove to have incurred up to the suspension of contractual obligations, being at that time confident of the validity of the contractual relationship.

§ 6 Prices / Terms of Delivery and Payment / Transfer of Debts / Off-setting

1. The prices agreed upon are fixed, flat-rate prices unless an account settlement based on units of negotiated hourly rates has been expressly agreed upon in writing.
2. The prices are inclusive of all expenses incurred by the Supplier, e.g. cost of materials, use of equipment, travel expenses, transport, insurance, packaging franco domicile, customs duties, taxes, etc.
3. If a payment schedule has been agreed upon, payments are to be made upon receipt of the respective partial invoice in compliance with the dates and instalments stipulated in the payment schedule. Prior to official acceptance of the entire work by the Customer or the end customer, any and all payments will be effected as payments on account, without acknowledging the work rendered so far as complete performance. In any event, the final instalment will not be invoiced until delivery has been made in full, and any official acceptance of the overall performance required by either the contract or law has been given. The

Created/amended on	Checked	Version	Document No.
SL	SL	11/2008	Do 11 08/351/06/03

General Terms and Conditions of Purchase



Customer is entitled to withhold payment of the final instalment or a maximum of 10% of the order value until the warranty period has expired. The Supplier is entitled to replace any such amount retained by means of a directly enforceable bank guarantee (waiving the defence of preliminary injunction on first demand).

4. Invoices are to be issued to the Customer in triplicate, and to indicate purchase order number, and the purchase codes and numbers of each item. Further, the invoice must include all the details needed to authorise the deduction of input tax, in particular tax number or VAT ID number, and other mandatory details of an invoice as per the relevant legal provisions of applicable law. Should the invoice fail to include the above-mentioned data, then the Customer is not obliged to pay the VAT shown. Should the Customer be unable to deduct input tax due to an invoice's having not been issued in due form, then VAT paid by the Customer is to be refunded by the Supplier.
5. Terms of payment are to be either within 14 working days less 3% discount, or within 90 calendar days net, using the means of payment of the Customer's choice. Periods allowed for payment begin with the latest of the following: (a.) delivery or approval of the work, (b.) receipt of invoice, or (c.) the delivery period as stated in the purchase order.
6. Deliveries are to be effected on the terms "Delivery Duty Paid" ("DDP") (as per Incoterms 2000, or later version of the incoterms), unless otherwise agreed in the individual order.
7. The Supplier is not entitled to assign its claims to or have them collected by third parties. Should the Supplier assign its claims on the Customer to a third party without the consent of the Customer, and contrary to the first sentence, then the assignment will still be effective. The Customer can, however, choose for itself whether to effect payment, with the effect of a full discharge of the obligation, to the Supplier or to the third party.
8. The Customer's payments will be regarded as having been effected as soon as the Customer has issued instructions for them to be paid.
9. The Customer is entitled to offset amounts owing against debts owed to affiliated companies by the Supplier.
10. In the event of defective deliveries, the Customer will be entitled to withhold a proportion of the value of the payment until delivery has been correctly completed.

§ 7 Material Provided by the Customer / Tools / Requests for the Return of Goods

1. Any drafts, samples, production resources, models, data carriers, prototypes, diagrams, drawings, documents, materials, equipment, components, parts, containers, packaging, tools, measuring instruments, fixtures, samples or other objects provided, even on a lending basis, to the Supplier by the Customer ("Materials Provided"), which, according to the terms of the contract, are located at the Supplier's premises, are not the property of the Supplier, but will remain the property of the Customer, unless an alternative arrangement has been expressly agreed upon.
2. Any Materials Provided are to be examined and checked by the Supplier immediately, and any complaints to be submitted to the Customer in writing without undue delay. The Supplier may use the Provided Materials for the production of Contractual Items for the Customer only, and must not use them, nor allow others to use them, for any other purpose without the prior written consent of the Customer.
3. Provided Materials must be clearly marked as being the property of the Customer, and, with the due care and diligence of a prudent business person, kept in a safe place, separate from the other items, and at no charge to the Customer. The Supplier is to handle the Provided Materials in a careful and proper manner, keep them in good condition at its own expense, replace them if necessary, and indemnify the Customer for any claims, costs, or damage resulting from or in conjunction with the mounting, usage, storage or repair of the Provided Materials. The Supplier bears all risks for the Provided Materials as long as they are in its custody or under its control. The Supplier is obliged, at its own expense, to insure the Provided Materials against all insurable risks (all risk insurance) in the amount of the replacement value. The Supplier hereby, in advance, assigns to the Customer its claims against the insurer. The Customer hereby accepts this assignment.
4. The Customer, or a third party appointed by the Customer, is entitled at any time during normal business hours to enter the business premises of the Supplier and to inspect the Provided Materials and notes relating to these.
5. The Customer is entitled, without the need to give any specific reason for doing so, to remove the Provided Materials or to demand their surrender at any time. Should the Customer make any such request, the Supplier is to surrender the Provided Materials without undue delay, prepare them for shipping, or deliver them to the Customer against reimbursement of reasonable transportation costs. The Supplier has no right of retention of or lien on the Provided Materials whatsoever.
6. When work is carried out on Provided Materials, the Customer will become the owner of the new or reshaped item from the very time it is being processed. The Supplier will store the new or reshaped item for the Customer, free of charge, and with the due care and diligence of a prudent business person.
7. Ownership of any auxiliary models and tools, models, moulds, etc (hereafter referred to as "Tools") produced by the Supplier which are required for the performance of the contract will be transferred to the Customer upon generation thereof. In this way, Tools are to be dealt with in the same way as Materials Provided. The Customer is entitled, at any time and at its own discretion, to claim possession of the Tools, against payment of any costs which can be proved to have been incurred when producing the Tools and which, at the time when their return was requested, had not been amortised either by payments or the price of parts. Even if no agreement has been reached regarding the production costs to be refunded in accordance with this provision, the Supplier is still obliged to return the Tools without undue delay. The Supplier has no right

of retention whatsoever. The Customer is entitled, once the order has been filled, to have the Tools scrapped by the Supplier; scrapping to be free of charge to the Customer. Scrapping of Tools is subject to the written agreement of the Customer.

§ 8 Subcontracting

Subcontracting to third parties is only permitted with the written consent of the Customer. Should the Supplier violate this rule, the Customer is entitled to cancel the contract with immediate effect. (Good cause for cancellation).

§ 9 Acceptance / Transfer of Risks / Transfer of Title / Retention of Title

1. Insofar as the underlying law or contractual agreements call for acceptance of the Contractual Item, the Contractual Item will be deemed to have been accepted upon receipt of the written acceptance certificate. If, following receipt of written notification from the Supplier to the effect that a Contractual Item is ready for approval, the Customer should fail to fulfil its duty to attend the inspection, then the Contractual Item will be considered to have been accepted 4 weeks after initial operation and notification of readiness for approval, provided that during this period no defects which would impede acceptance have been claimed for by the Customer.
2. Should the contract performance of the Supplier form an integral part of the overall performance required of the Customer by its end customer, then, without there being any call for an express statement, acceptance of the Supplier's performance will not be deemed complete until the Customer's end-customer has granted final approval of the Customer's overall performance. Under no circumstances do payments constitute acceptance of the Contractual Item.
3. Unless, on an individual contract basis, an alternative arrangement has been made in writing, then, insofar as the aforesaid provision calls for acceptance, all risks are transferred upon acceptance of the Contractual Item, or otherwise when delivery of the Contractual Item has been made in full.
4. Insofar as the Contractual Item is to be produced by the Supplier itself, the Customer will assume ownership from the time it comes into existence, or failing this upon delivery to the Customer.
5. Any retention of title to Contractual Items supplied to the Customer by Supplier is ruled out, unless the Customer has given its express written consent in a separate agreement.

§ 10 Non-disclosure

1. The Supplier undertakes to treat as business secrets any commercial and technical details that are not general knowledge, and which become known to him as a result of the business relationship, and to protect these against unauthorised inspection, loss, or use. This applies in particular to any information provided by the Customer (jointly referred to in the following as "Information"). Information must not be made available to, or handed over to, unauthorised third parties without the Customer's written approval. This does not apply to Information which (a) is or becomes generally known, without any breach of this obligation, (b) is made known to the Supplier by a third party, without breach of any relevant obligation, or (c) the Supplier can prove either to have possessed before this obligation came into effect, or to have developed independently subsequent to its coming into effect.
2. The copying or reproduction of such Information is admissible only within the framework of business requirements and copyright regulations. Upon completion of the work and in compliance with the non-disclosure provision, any and all Information that has been given to the Supplier is to be returned unbidden to the Customer, or, if the Customer agrees, safely destroyed. The Supplier will not retain or keep any copies, duplicates, etc unless legally required to keep records. Subject to any further rights, the Customer is entitled to demand their immediate surrender, should the Supplier be in breach of duty.
3. Employees and subcontractors are to be bound by similar non-disclosure obligations.
4. Unless other terms have been agreed upon in the purchase order, this non-disclosure obligation is to remain in force for a period of 5 years after delivery and/or performance.
5. The Supplier is not entitled to use these business relations for advertising purposes without the written approval of the Customer.

§ 11 Liability for Defects

1. The Supplier guarantees that any Contractual Items it supplies
 - a) are in accordance with the contractually agreed specifications;
 - b) are free of design, manufacturing and material defects;
 - c) are, at the time of approval, in line with the latest scientific and technical standards;
 - d) are in accordance with all legal, official and industrial standards and requirements relevant at the time of approval, in particular any provisions appertaining to safety, environmental protection, buildings, hazardous substances and materials, and accident prevention, as well as any quality assurance specifications of the Customer and its final customer;
 - e) are suitable for the contractually agreed purpose or for the purpose evident to the Supplier.
2. Should Contractual Items fail to satisfy the requirements mentioned above, the Customer can, at its discretion, request the Supplier to rectify the defects at its own risk, or to replace defective items with Contractual Items which are free of defects. Should the Supplier fail to meet this obligation within a reasonable period of time, refuse to rectify defects, or provide replacements, or should exceptional circumstances calling for immediate action occur, then the

Created/amended on	Checked	Version	Document No.
SL	SL	11/2008	Do 11 08/351/06/03

General Terms and Conditions of Purchase



Customer is entitled, at the Supplier's expense, to repair or replace defective Contractual Items itself, or have them repaired or replaced by third parties.

3. In addition, the Supplier is to reimburse the Customer for any expense incurred in connection with the rectification of defects or the replacement of defective Contractual Items (including transport, handling, installation / dismantling, material and labour costs).
4. There is a guarantee period of 36 months valid from the date of delivery (contracts for sales and services) or approval by the Customer (contracts for work performance). Should the Contractual Item form part of an overall performance to be provided by the Customer to its customer, then the guarantee period is to be 36 months from the date of approval by the Customer's own customer of the overall performance; however, this will not exceed a period of 48 months from delivery to the Customer.
5. Should any defect occur within the first 12 months following the start of the guarantee period, it will be assumed that the defect already existed on the date of transfer of risk or approval, unless evidence is furnished by the Supplier of the defect's being attributable to fault or negligence on the part of the Customer.
6. Any further legal or contractual claims remain unaffected.

§ 12 Other Liability / Insurance

1. The Supplier is liable for any claims arising from the infringement of granted and registered industrial property rights during usage of the deliverables and services in accordance with the terms of the contract. The Supplier will indemnify and hold harmless the Customer and its customers from any claims arising from the infringement of any such industrial property rights. This does not apply in cases where the Supplier is working according to drawings, models, data etc. provided by the Customer, and does not know, or, in connection with the services it is providing, does not need to know that industrial property rights are being infringed as a result. In the event of infringement, the Customer is entitled, at the Supplier's expense, to obtain from the owner of such industrial property rights the necessary authorisation to deliver, commission, use, resell, etc. the contractual item. This will in no way prejudice any further claims for damage the Customer might have.
2. The Supplier will indemnify and hold harmless the Customer from any third party claims arising from product liability, if and insofar as it is responsible for the damage which has occurred, and will reimburse the Customer for any expenses incurred by or in connection with any recall action or service measures undertaken by the Customer or one of its customers. The Customer will - as far as possible and reasonable - inform the Supplier of the contents and extent of any recall or service action, and give the Supplier the opportunity to comment. The principles of § 254 BGB (German Civil Code) will apply accordingly to damage adjustment between the Customer and the Supplier.
3. Should the deliverables provided by the Supplier include any work on the business premises of the Customer or one of its customers, then the Supplier will implement any and all precautionary measures necessary to prevent injury to persons or damage to property. The Supplier will indemnify and hold harmless the Customer from any damage, costs and expenditure occasioned by work carried out by the Supplier on the business premises, unless the damage etc. was caused through no fault of the Supplier.
4. The Supplier is liable to the same degree for any negligent conduct of its representatives or subcontractors as it is for its own.
5. The Supplier undertakes, in particular with regard to personal injury, damage to property and financial loss, to take out and ensure insurance coverage that is adequate and customary in terms of both purpose and amount covered. If requested to do so, the Supplier is to submit the appropriate confirmations of insurance to the Customer. The Supplier hereby and in advance transfers to the Customer title to any insurance benefits arising in connection with the Contractual Items, and the Customer accepts this transfer of title. The fact of insurance having been taken out and title to insurance benefits transferred does not in any way limit the liability of the Supplier.
6. Any further legal or contractual claims remain unaffected.

§ 13 Title to Results of Work / Industrial Property Rights, Know-How, Intellectual Property Rights

1. The Customer is to receive an exclusive, unlimited, sub-licensable and irrevocable right of exploitation on the results of the work in their entirety; this right being transferable and settled in full through payment of the total amount. Furthermore, the following conditions are to apply with regard to the industrial property rights included in the work results.
2. In these General Terms and Conditions of Purchase, "industrial property rights" are rights to, under or over patents, patent applications and legal applications by inventors, registered designs, inventions, and any other registrable rights, including the applications and requests for their application.
3. The Supplier undertakes to exercise due care and attention, including patent searches, to achieve work results which do not infringe on the rights of third parties. Should the use of third parties' rights not at the disposal of the Supplier become unavoidable or advisable, the Supplier is to inform the Customer without undue delay, submitting the appropriate documents and reasons at the same time. The Parties will consult together to determine how to progress with contractual work until such time as the Customer gives its opinion on the possibility of utilising the rights of third parties.
4. Should the work results contain industrial property rights resulting from work performed by the Supplier prior to or during execution of the order, but which can be proved to have resulted independently of the contractual work ("background industrial property rights"), the Customer is to receive a transferable, sub-licensable, non-exclusive, irrevocable licence for these property rights, settled in full through payment of the total amount. The licence is limited to the

utilisation of the background industrial property rights within the context of the utilisation of the work results or essential parts thereof. The same applies to background know-how.

5. Should the Supplier intend to utilise background industrial property rights in the work results, then it is obliged to notify the Customer accordingly in writing beforehand, so as to obtain from the Customer permission to make use of these industrial property rights. The Parties will consult together to determine how to progress with contractual work until such time as the Customer gives its opinion.
6. The Customer has the right of first refusal with regard to the acquisition of any industrial property rights created by the Supplier and/or its staff, alone or in cooperation with staff of the Customer, when working on the order ("priority industrial property rights"). To ensure that the Customer has the opportunity to exercise its right of first refusal, the Supplier will offer the Customer any and all industrial property rights registered in connection with the work results, or otherwise brought to its knowledge, in writing, within two months of registration or knowledge thereof at the very latest. Any charge for these will be deemed to have been settled with payment of the total amount. The Customer is entitled to transfer the right of first refusal for the acquisition of industrial property rights to an associated company. Should the Customer have no interest in acquiring exclusive industrial property rights in its own name, the Customer and Supplier will come to an agreement on the acquisition of joint industrial property rights, sharing the cost. The Customer is entitled to name an associated company to be entered in its stead in the application for industrial property protection. Unless otherwise agreed, the Customer has, in the event of a joint application for industrial property protection, the irrevocable, transferable, sub-licensable, unlimited, non-exclusive right of use of the industrial property right in its entirety. Any charge for these will be deemed to have been settled with payment of the total amount. Should the Customer also have no interest in acquiring joint industrial property rights, the Supplier can acquire industrial property rights at its own discretion, in its own name and at its own expense, although the Customer is still entitled to the irrevocable, transferable, sub-licensable, unlimited, non-exclusive right to make use of these industrial property rights free of charge. Any charge for these will be deemed to have been settled with payment of the total amount. Whichever Party is not involved in acquiring the industrial property rights consents to support and submit at its own expense any statements necessary to the acquisition and defence of the industrial property right.
7. Should the work results of the Supplier or its employees include a design suitable for registration as a design patent, the Supplier will, at the time it is produced, transfer any title to rights over the design to the Customer. The Customer is entitled to effect official registration of the design at its own discretion. Any charge for these will be deemed to have been settled with payment of the total amount.
8. Insofar as any services or work of the Supplier are entirely or partially protected by copyright, the Supplier herewith grants the Customer the exclusive, irrevocable, sub-licensable, transferable right, unlimited in terms of time, place and content, to use these work results free of charge and in any way it wishes, in particular to duplicate, propagate, display, modify and adapt them. Any charge for this will be deemed to have been settled with payment of the total amount.
9. Subject to any other legal requirements, the Supplier bears sole responsibility for the payment of its own employees.
10. In the event of work being delegated to subcontractors, the Supplier is responsible for ensuring that the Customer still has analogously similar rights.

§ 14 Termination of Contract

Cancellation

1. The Customer may terminate the contract at any time without notice, and without giving reasons; such termination may refer to the contract in its entirety, or to a part thereof. Any such termination must be submitted in writing.
2. In the event of ordinary termination, the Customer will pay the proportion of the complete remuneration that will cover all services that can be proved to have been provided by the Supplier up to the date on which the termination comes into force. However, in the event of a partial termination, payment will not be due before the agreed date of payment for the services performed.
3. Over and above the provisions in 14.2, the Customer will, in the event of entire or partial termination, reimburse the Supplier with any costs which can be proved to have been incurred by the latter with a view to and for the direct purpose of executing the terminated part of the order with due commercial care and attention, and which, within the bounds of possibility and reasonableness, could not be avoided.
4. In the event of ordinary termination, no further claims on the part of the Supplier, for any legal reason whatsoever, will be deemed to exist. In any event, the maximum remuneration to be paid by the Customer as per point 14 will not exceed the sum total of the order.
5. If, in the event of ordinary termination, a contract is arranged between the Customer or one of its associates and the Supplier, and the Supplier's capacities thus released could be used to this end, then the payments as per 14.3 should be taken into consideration, if at all possible.

Termination for Good Cause

6. The Parties may terminate the contract for good cause at any time without notice (extraordinary termination). Good cause will be deemed to be, for instance, the insolvency of the other party, or any breach of contractual duty by the Supplier which the Supplier fails to remedy in full within a reasonable time limit set by the Customer. Extraordinary termination must be submitted in writing.

Created/amended on	Checked	Version	Document No.
SL	SL	11/2008	Do 11 08/351/06/03

7. In the event of extraordinary termination for reasons imputable to the Supplier, the Customer will recompense the Supplier only for zero-defect services which can be proved to have been provided prior to the termination date, whereby the actual value of the services provided will be in proportion to the value of the sum of all services owed. No further claims on the part of the Supplier, for any legal reason whatsoever, will be deemed to exist. In any event, the maximum remuneration to be paid by the Customer as per point 14 will not exceed the sum total of the order.
 8. The Customer reserves the right to assert further claims in the event of extraordinary termination by the Supplier.
- Withdrawal**
9. Should the Customer decide to exercise the right to withdraw from the contract, notice of withdrawal must be made in writing.
 10. In such a case, the Customer is entitled to pay compensation instead of returning or surrendering services previously received. The amount of compensation will be in line with the value of services provided at the time at which notice of withdrawal is issued.

§ 15 Right to Inspect

1. Provided the Customer gives prior notice of its intended visit, the Supplier undertakes to grant the Customer access to its business premises at any time during normal business hours, to enable the Customer to inspect any documents relating to a purchase order, and thus verify the correctness of the Supplier's performance and the accuracy of each invoice line item.
2. These documents are to be kept available for such inspection for a period of five (5) years following termination of the contract.
3. Should the Supplier employ subcontractors, the Supplier will ensure that that they grant the Customer analogous rights.

§ 16 Other Provisions

1. The place of performance for the services and deliveries appertaining to each particular individual contract is to be the Customer's head office, or office of the subsidiary placing the order, provided no other place of performance has been stipulated in the individual contract.
2. Should any provision or essential part of the contract or of these General Terms and Conditions of Purchase be held invalid, either in its entirety or in part, or the contract or these General Terms and Conditions of Purchase prove to be incomplete, this will not affect the validity of the remaining provisions of the contract or these General Terms and Provisions of Purchase. Any invalid provision is to be replaced by one which corresponds to or comes closest in spirit and purpose to that of the invalid provision. Any other gaps are to be made good as the parties see fit.
3. The exclusive place of jurisdiction for any legal disputes arising from or in connection with a contract is to be the locally competent court at the location of the head office of the Customer.
4. In addition to these terms and conditions, only the law of the Federal Republic of Germany is to apply, to the exclusion of the provisions of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and of the private international law rules governing conflict of law.

Created/amended on	Checked		Version	Document No.
SL	SL		11/2008	Do 11 08/351/06/03