

TRUMPF Purchasing Terms and Conditions (TEB)

I. Validity of TRUMPF Purchasing Terms and Conditions

- These purchasing terms shall be valid for all contracts concluded by TRUMPF as the purchasing or ordering party, unless otherwise agreed expressly and in writing. Any general terms of supply of the Supplier which deviate from the TRUMPF Purchasing Terms and Conditions will not become subject of the contract even if they are not explicitly opposed by TRUMPF. The TRUMPF Purchasing Terms and Conditions shall also be applicable even if TRUMPF accepts a delivery of the Supplier without reservation and although TRUMPF is aware of the Supplier's conditions to the contrary or is aware that these conditions deviate from the TRUMPF Purchasing Terms and Conditions.
- The TRUMPF Purchasing Terms and Conditions in their most recently revised form at the material time shall also be valid for future transactions with the Supplier.
- The Incoterms 2010 are valid in supplement as far as they do not contradict any of the clauses of these TRUMPF Purchasing Terms and Conditions or of any other agreement between TRUMPF and the Supplier.
- Any rights that TRUMPF is entitled to in accordance with statutory provisions and beyond those stated in the TEB shall remain unaffected.

II. Formation of Contract and Amendments

- The contract shall become effective with the order or delivery request by TRUMPF if the Supplier does not, within one week of receiving the order or delivery request, object in writing or submit a counter-offer. Decisive for deadline adherence is the date the objection or counter-offer is received by TRUMPF.

If TRUMPF does not reject the Supplier's counter-offer within two weeks after receipt, its contents shall be binding unless they deviate substantially from the order or delivery request. A substantial deviation shall be deemed to exist unless stated otherwise in the order or delivery request, in particular, but not limited to: change of the delivery date or deadline by more than forty-eight hours, change of the delivery quantity by more than five percent or a price change. Decisive for deadline adherence of the rejection of the counter-offer is the date it is dispatched by TRUMPF; the postmark shall serve as proof thereof.

- Subsequent amendments or supplements to a valid contract shall not become effective unless confirmed in writing and under the same conditions as those set out in the preceding sub-clause.

III. Scope and Content of the Obligation to Supply

- The scope of the Supplier's obligation to supply is based on the specifications and performance descriptions transmitted at the time of the conclusion of the contract or, if these are lacking, on the information provided in the Supplier's quotations and brochures.
- Unless otherwise agreed to explicitly and in writing, all deliveries must comply with the DIN and/or VDE standards in their most recently revised form at the material time and with any other industry-standard and/or EU norms, standards and regulations. The Supplier is therefore obliged to comply with the requirements of the Regulation (EC) 1907/2006/EG (hereafter referred to as "REACH-Regulation") and the EC Directive 2011/65/EU (hereafter referred to as "RoHS-directive") in their most recently revised form at the time of the delivery, and to fulfill all of the duties which concern suppliers according to the REACH-Regulation and the RoHS-Directive. The Supplier will place a safety data sheet at TRUMPF's disposal according to Article 31, REACH-Regulation. In addition, the Supplier will inform TRUMPF, unsolicited and without delay before a delivery, if a "substance of very high concern" as described by Articles 57 to 59 of REACH-Regulation is contained in a component or in the packaging of a good in a mass concentration of more than 0.1 percent. The Supplier guarantees that the goods comply with the requirements of the RoHS-Directive and will provide TRUMPF with a respective written confirmation of the RoHS conformity.
- TRUMPF will accept only the amounts or quantities ordered. Over- or under-deliveries are permitted only after prior agreement with TRUMPF. If partial quantities have been agreed to, the Supplier shall inform TRUMPF at each partial delivery of the quantity still due for delivery.
- The Supplier is obliged to pack, label and send the goods in compliance with the relevant regulations of the country of origin, the transit country and the country of destination and is to observe the applicable regulations of TRUMPF stipulated in "Vendor Guidelines for Transportation".

- The Supplier shall assume, at his own cost, the obligation to properly dispose of the goods at the end of the utilisation period. Statutory provisions shall be adhered to in the disposal.

IV. Changes to the Order Performance

- If, during performance of the contract, it becomes apparent that deviations from the originally agreed specifications are necessary or expedient, the Supplier must immediately notify TRUMPF thereof. TRUMPF shall then state in writing what if any modifications the Supplier should make to the original order. If this leads to a change in the costs incurred by the Supplier in the fulfillment of the contract, both TRUMPF and the Supplier shall be entitled to request an appropriate adjustment to the compensation owed to the Supplier.
- TRUMPF can request changes to the order performance even after contract conclusion if such changes can reasonably be expected of the Supplier. In such an amendment to the contract both contractual parties must take appropriate cognizance of the consequences, especially regarding increases or decreases in costs as well as regarding delivery times.

V. Delivery Time

- The delivery dates and deadlines agreed to shall be binding. The delivery period shall commence on the date of order. Decisive for deadline adherence of the delivery date or deadline shall be receipt of the goods by TRUMPF or by the recipient designated by TRUMPF. If delivery other than "free factory" ("frei Werk") (DDP as per Incoterms 2010) is agreed and TRUMPF has agreed to take over the transport of the goods, the Supplier must make the goods available in good time, taking into consideration the time required for loading and shipment, as agreed with the forwarding agent. In other cases, pursuant to Clause 4, the Supplier shall be liable for delays in delivery caused by the forwarding agent.
- If the Supplier anticipates difficulties with respect to meeting the delivery deadline or similar circumstances which might prevent the Supplier from delivering the goods on schedule or from supplying the goods to the agreed quality, the Supplier shall notify TRUMPF thereof immediately, stating the reasons and expected length of the delay.
- In case of force majeure, labor disputes with the exception of illegal lockouts, inculcable operational disturbances, unrest, government measures and other inevitable events in TRUMPF's region, TRUMPF shall – without prejudice to its remaining rights – be entitled to withdraw from the contract in whole or in part unless such events are of insignificant duration or cause only an insignificant reduction in TRUMPF's requirements.
- In the event of default in delivery, TRUMPF is entitled to its statutory rights.
- Notwithstanding the above, TRUMPF is entitled to charge the Supplier a contractual penalty from the date of delivery default. The contractual penalty shall be payable at a rate of 0.5% for each week commenced but shall not exceed 5% of the total order value of the delivery. The right to assert further claims is expressly reserved. If TRUMPF does not expressly reserve its right to claim the contractual penalty at the time the delayed delivery is accepted, TRUMPF is entitled, within a preclusive time limit of ten working days after acceptance, to assert its claim to the contractual penalty due.

VI. Passing of Risk, Transfer of Ownership, Documents

- Risk shall pass to TRUMPF on delivery of the goods to TRUMPF or to the recipient designated by TRUMPF. If the Supplier is obligated to provide any setting up or installation work then risk passes to TRUMPF only on start of operations.
- Ownership in the goods shall pass to TRUMPF in accordance with an agreed Incoterm at the latest however on date of delivery to the agreed delivery address.
- Every delivery must be accompanied by a delivery note. Invoices stating the order number must be sent to TRUMPF concurrently with dispatch of the goods. To prevent delay in processing at TRUMPF, invoices must not be attached to the delivered goods but must be sent by separate mail; otherwise Clause VII. 3 applies accordingly.

VII. Prices and Payment

- The price stated in the order shall be binding. Unless otherwise agreed to in writing, the price shall include, in particular but not limited to, the costs for packaging, any miscellaneous equipment required for shipping and transport to the delivery address stipulated by TRUMPF as well as customs duties and other official duties and levies.
- The statutory value added tax is not included in the price.

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3. If the Supplier's invoices do not indicate TRUMPF's ordering department and date of order nor TRUMPF's order number as communicated to the Supplier, TRUMPF shall not fall into arrears until forty days after the due date and receipt of the goods.
4. In the case of any delivery or service provided that is not in accordance with the agreement concluded, in particular defective deliveries, TRUMPF shall be entitled to withhold payment, without forfeiting rebates, discounts or similar payment abatements, until proper fulfillment thereof.
5. Payments shall be made either within 14 calendar days with a 3 % discount or within 30 days net after performance of the service in accordance with the agreement and receipt of the properly prepared invoice. All payments shall be subject to invoice verification in case there should be any objections at a later date. In the event of payment default, the Supplier may levy default interest of 5% p.a. unless TRUMPF proves damages to a lesser amount. The Supplier shall be entitled to withdraw from the contract if TRUMPF does not fulfill its obligation prior to expiry of an appropriate period of grace under threat of refusing to accept performance for TRUMPF to perform its part, the appropriate grace period having been set by the Supplier at the time of payment default.
6. Payments shall only be made to the Supplier. The Supplier is only entitled to offset counterclaims against payments due if the claims have an unappealable legal status or are undisputed. The Supplier only has a right to withhold payment if the counterclaim is based on the same contractual relationship.

VIII. Warranty Claims and Recourse

1. The Supplier guarantees and warrants that all products and services comply with the most recent, state-of-the-art technology, with the relevant legal provisions and the regulations and guidelines of authorities, employers' liability insurance associations and trade associations. If the subject of the contract does not meet these requirements, the Supplier must notify TRUMPF of this in each single case prior to start of delivery to TRUMPF by stating the reasons. In such a case, TRUMPF is entitled, even after receipt, to reject the goods within a period of 10 working days from notification by the Supplier, and to assert the legal warranty claims.
2. The Supplier shall ensure the traceability of the goods delivered by same. If a fault is determined, it must be possible to trace the delivery under dispute in order to determine the status of the guarantee period and be able to identify the total quantity of goods affected. If it is not possible to trace the shipment in the event of a guarantee and/or product liability claim, the Supplier shall compensate TRUMPF for any losses incurred by TRUMPF therefrom. If the status of the guarantee period of the faulty goods cannot be determined due to a lack of traceability, the Supplier shall be refused the objection of prescription unless same can prove with certainty that the guarantee period has expired.
3. If the Supplier has doubts regarding performance of the order as requested by TRUMPF, the Supplier must immediately communicate this to TRUMPF in writing.
4. Acceptance of the goods is subject to inspection, in particular but not limited to determining that the goods are free of defects and that the shipment is complete.
Inspection shall be made based on the delivery note and is limited to the detection of obvious defects. Insofar as soon as this is feasible in the ordinary course of business, TRUMPF will inspect all deliveries and will immediately, but at the latest within 10 working days from date of delivery to the agreed delivery address, inform the Supplier in writing of any defects detected; decisive for deadline adherence is the timeous posting of the notice of defects. The Supplier shall be informed in writing without delay, however at the latest within 10 working days after discovery of any defects which appear only later. In this respect, the Supplier waives the right to objection on account of delayed notice of defects. For consignments comprising numerous identical goods TRUMPF shall only need to inspect 3 % of the delivered goods for defects. If the goods would become unmarketable due to the inspection, a sample of 0.5 % of the supplied units shall suffice. If single samples of a consignment are defective, TRUMPF at its own choice can request the isolation of the defective units by the Supplier or enforce claims for damages of the entire delivery. If as a result of goods defects a goods receiving inspection is required that is over and above the usual procedures in scope then the Supplier shall carry the costs of such inspection.
5. If, after being requested by TRUMPF to do so, the Supplier fails to immediately fulfill its obligations for subsequent performance, TRUMPF shall be entitled in cases of emergency, and in particular to prevent severe hazards or to avoid greater damage to itself undertake or employ a third party to carry out the remedial works at the

Supplier's expense and at the usual compensation rates as determined by TRUMPF. Further legal claims of TRUMPF remain unaffected.

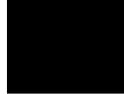
6. TRUMPF's rights to warranty claims shall be subject to a limitation period of 24 months from date of delivery of the goods to TRUMPF unless a longer limitation period exists. The limitation period for replacement parts that were installed or delivered pursuant to warranty obligations shall start anew.
7. The Supplier holds TRUMPF harmless from all claims asserted against TRUMPF by third parties based on defects or faults in the goods.
8. The limitation period for claims is suspended while the goods are being inspected for defects or are at the Supplier's or at his agent's for rectification of defects.
9. For parts of the delivery which are being maintained or are being repaired within the limitation period, the limitation period shall recommence from the time the Supplier has fully satisfied TRUMPF's claims to subsequent fulfillment of obligations.
10. If claims are lodged by third parties against TRUMPF for defects in the goods procured from the Supplier, TRUMPF shall be entitled to recourse from the Supplier; the same conditions as set out in the preceding sub-clauses shall apply accordingly.
11. The Supplier is obligated to reimburse TRUMPF for the expenses incurred in connection with the defects, in particular but not limited to the costs for shipping, carriage, labor and materials and any other damage sustained. If and to the extent the Supplier can prove that it is not responsible for the defect, and is not liable to compensate for damages irrespective of fault based on a warranty, the Supplier shall be liable for damages only to the extent that same can pursue remedies from its suppliers. The Supplier shall ensure that it has appropriate warranty rights in respect of its suppliers for cases such as these.
12. Receipt of goods as well as the handling, payment, and repeat ordering of goods not yet identified as defective and not yet contested shall not represent approval of the delivery and shall not represent a waiver of any warranty claims by TRUMPF.

IX. Liability, specifically Product Liability

1. The Supplier's liability is in accordance with statutory regulations, unless otherwise agreed to in these Purchasing Terms and Conditions.
2. If claims are lodged against TRUMPF owing to product liability laws, the Supplier shall exempt and hold TRUMPF harmless on first request from all these claims if and insofar as the damage is caused by a defect in the goods which are delivered by the Supplier and which are the subject of the contract. The Supplier shall, in such cases, also exempt TRUMPF accordingly from all costs, in particular from expenses for required recall measures (including recall measures in accordance with product safety regulations) and the costs for legal prosecution. In cases of liability based on fault, the Supplier shall not have such an obligation if it can prove that it is not at fault. In all other matters, the legal provisions shall apply.
3. At the commencement of the contract and anytime after that upon request, the Supplier shall present to TRUMPF proof of product liability and recall insurance with a coverage of at least € 2,500,000.00 per liability case; the Supplier shall also, after complete fulfillment of the obligations from the contract, maintain the insurance coverage for a period of ten years after the processed goods are placed on the market by TRUMPF. The Supplier already at this point shall cede all claims arising from the product liability insurance and all ancillary rights to TRUMPF. TRUMPF already at this point accepts such cession. If cession should not be permitted in accordance with the insurance agreement then the Supplier shall herewith irrevocably instruct the insurance company to effect any payments only to TRUMPF. Any further claims by TRUMPF remain unaffected hereby.
4. Unless otherwise agreed, the Supplier shall mark his goods for delivery in a durable manner so that they can be permanently identified as his products.

X. Protective Rights

1. The Supplier warrants and assures that neither the goods delivered by him nor their onward supply, further processing or utilisation by TRUMPF do not in any way infringe any utility models, patents, licenses or other protective rights of third parties.
2. The Supplier exempts TRUMPF and TRUMPF customers and holds them harmless from third party claims resulting from the infringement of any protective and patent rights and shall bear all expenses that TRUMPF incurs in this connection.
3. In case of conflicting protective rights of third parties, the Supplier shall, at its own cost, obtain agreement or approval, also effective for TRUMPF, from the proprietor to further supply, further process or utilise the delivered goods.



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XI. Provision of Parts, Tools

1. All parts provided by TRUMPF to the Supplier shall remain the property of TRUMPF. Processing or reworking by the Supplier will be undertaken on behalf of TRUMPF. If the parts to which title is reserved are processed with other items that are not the property of TRUMPF, TRUMPF shall acquire co-ownership of the resulting new article in the ratio of the value of the parts with reserved title to the other processed items at the time of processing. The same applies if the items are so closely associated or intermingled that TRUMPF loses ownership therein. The Supplier shall store the new items on behalf of TRUMPF at no charge.
2. The Supplier shall check all parts provided for defects. If a part provided by TRUMPF is culpably damaged or destroyed while in the Supplier's sphere of responsibility, the Supplier's liability shall also extend to the repair or replacement of the provided part.
3. All tools paid for or provided by TRUMPF shall remain the property of TRUMPF. The Supplier shall employ these tools solely for the manufacture of the goods ordered by TRUMPF.

XII. Secrecy

1. The contracting parties agree to hold in strictest secrecy all information proceeding from the cooperation pursuant to this contract unless such information is common knowledge, legally obtained from third parties or independently acquired by third parties through their own labor, and to use it solely for the purpose of this contract. protected information includes in particular but is not limited to technical data, purchase quantities, prices and information regarding products and product development, regarding current and future research and development plans and all corporate data of the other contractual party.
2. In addition the Supplier shall keep in strictest secrecy all illustrations, drawings, calculations and any other documentation received by the Supplier and shall not disclose such to third parties without the prior written consent of TRUMPF if the information therein contained is not common knowledge.
3. Sub-contractors shall be bound by the Supplier to maintain the same secrecy as stipulated above.
4. At the request of TRUMPF at any time, but at the latest when the contract ends, all information originating from TRUMPF (where applicable, including copies or recordings) and items provided on loan shall be immediately returned to TRUMPF in full unless these are still required by the Supplier for the purpose of meeting its contractual obligations. TRUMPF reserves all rights to such confidential information, including copyrights, industrial property rights, patents, utility models etc.
5. Products manufactured according to designs, documents, models etc. provided by TRUMPF or similar or according to specifications marked as being confidential may be used by the Supplier solely for the purposes stipulated in the contract; in particular, such products may not be offered or delivered to third parties.

XIII. Final Provisions

1. The Supplier may not transmit the order or essential parts of the order to third parties without the prior written consent of TRUMPF.
2. As soon as the Supplier suspends payments, or if a provisional insolvency administrator is appointed, or if insolvency proceedings are instituted, TRUMPF is entitled to withdraw wholly or partially from the contract.
3. The law that shall apply to the contractual relationships shall be the law of the country where the ordering TRUMPF company has its registered office, under exclusion of the law of conflicts and the UN Convention on Contracts for the International Sale of Goods (CISG). If any individual parts of these Purchasing Terms and Conditions should become legally null and void, this shall not affect the validity of the remaining provisions.
4. Place of jurisdiction shall be the place that the ordering TRUMPF company has its registered office. TRUMPF reserves the right to institute legal proceedings in any other permissible place of jurisdiction.