

**General terms of purchase (AEB) of the Müller Group, Breidenbach  
(Müller GmbH Formenbau, Müller GmbH Formtechnik, Müller Holding GmbH & Co. KG)**

**1. General terms**

- 1.1. The following AEB of Müller Formenbau, Am Mühlgraben 2, 35236 Breidenbach – in the following called Müller –will be applicable for all contracts, orders and services of our suppliers. The term „suppliers“ covers all vendors, factory employers or service providers that sell products to us, manufacture products or provide services for us.
- 1.2. We order deliveries and services exclusively on the basis of our AEB. They will be effective for all present and future business relationships.
- 1.3. Even in case of knowing about them or an unconditional acceptance of deliveries and services on the part of the supplier, deviating, contrary or supplementing general terms of business of our suppliers will not become part of the contract unless their effectiveness has been expressly accepted in writing.

**2. Exclusion of cession**

The cession or mortgage of rights resulting from contracts with us will be ineffective without our expressive written consent.

**3. Offer, offer documentation**

- 3.1. The preparation of offers is free for us, not binding and requires the written form.
- 3.2. We reserve property rights and copyrights regarding graphs, drawings, calculations and further documents. They cannot be made accessible to third parties without our expressive written consent. They will be used exclusively for the production of our orders. Upon termination of business relations, the entire documentation has to be returned to us without any request. It will be confidential towards third parties.
- 3.3. The supplier is committed to accept our order within the period of one week. If he does not do so, the order is considered to be rejected.
- 3.4. If the supplier does not accept the order unconditionally and without any modifications but submits an offer deviating from our order, a contract will only be concluded if we confirm it in the written form.

**4. Delivery period**

- 4.1. The delivery period mentioned in the order is binding, unless agreed differently.
- 4.2. The deliverer is committed to inform us in writing immediately if he gets to know about circumstances that make it unlikely to adhere to the stipulated delivery period.
- 4.3. In case of delayed deliveries, we are entitled to legal compensation. In particular we are entitled to a claim for damages instead of the performance and withdrawal after the unsuccessful termination of an appropriate extension.
- 4.4. In case of delayed deliveries, we are entitled to cover our need by purchasing from third suppliers or have third parties produce substitutes for us. The supplier renounces unconditionally and unopposedly to possible claims for protective rights, if we have third parties produce substitutes for us. Our legal rights regarding the delivery delay remain unaffected through the covering purchases.

**5. Prices, terms of delivery and payment**

- 5.1. The price appearing in the order is binding and including the legal sales tax, unless agreed otherwise.
- 5.2. All deliveries for us are free of freights costs and free of charge, especially free of toll or other charges for the use of roads or costs for air freight or transport by ship up to the delivery points identified by us incl. costs for packaging, and they are at the risk of the supplier.
- 5.3. All invoices have to be sent to us electronically and without delay. The invoices have to reflect our order number. The invoice has to meet the requirements of § 14 UStG (sales tax law). Invoices must be sent to: [erechnung@muellerhome.com](mailto:erechnung@muellerhome.com).
- 5.4. Payment has to be effected by the 20th day of the month following the month of delivery with a 3% discount or by the 20th day of the next but one month following the month of delivery net, on condition that a proper invoice in the sense of § 14 sales tax law has been received.
- 5.5. We are entitled to the rights of offsetting and retention to a legal extent.
- 5.6. The cession of claims against us will only be effective upon our expressive consent.
- 5.7. Subsequent introductions and increases of public charges and taxes, freight costs, salaries, material and further price-building factors will be borne by the supplier.

**6. Examination of and liability for defects**

- 6.1. We will examine goods delivered within a proper period with regard to possible quality and quantity deviations as far as § 377 HGB (code of commercial law) obliges us to do so. The complaint is in time if it is received by the supplier within a period of five labour days starting upon the reception of goods or in case of hidden defects, upon their discovery.
- 6.2. We reserve the right to carry out quality checks at the supplier's premises or to engage third parties to do so. Quality checks at the supplier's premises can also be carried out with customers of ours. In this case, the supplier will grant us access to his business premises unless it means a risk for the offence of his operational and business secrets and this risk cannot be avoided by appropriate measures on the part of the supplier.
- 6.3. We are entitled to unlimited claims in case of defects. In any case, we are entitled to ask the supplier for the limination of faults or the delivery of new things according to our choice. The entitlement to damages, especially the entitlement to damages instead of a service, remains expressly reserved.
- 6.4. We are entitled to have defects be eliminated by ourselves at the supplier's expense, in case the supplier is in arrears.
- 6.5. The limitation period for all claims for guarantee amounts to 36 months, starting with the transition of the risk unless individual agreements stipulate longer periods. Claims for guarantee limitate upon termination of the guarantee period agreed.

**7. Product liability, exemption and protection by a personal liability insurance**

- 7.1. As far as the supplier is liable for a defective product, he will exempt us from claims for damages by third parties on a first request, if the reason is within his territory and operational area and if he himself is liable towards us or third parties outwardly.
- 7.2. In the frame of his liability for damages in the sense of para. 1, the supplier is also liable for compensation of possible expenses acc. to §§683, 679 BGB (German Civil Code) or acc. to §§ 830, 840 BGB (German Civil Code) resulting from or in connection with a call-back campaign carried out by us. We will inform the supplier about call-back campaigns to be carried out – as far as possible and tolerable -, granting him the possibility for a statement. Our further legal and contractual claims remain unaffected.
- 7.3. The supplier commits himself to sign a product liability insurance with a covering lump sum of EUR 10.000.000,00 per damage to people and property. If we are entitled to higher claims for damages, these will remain unaffected.

## **8. Protective rights**

- 8.1. The supplier guarantees that in connection with his delivery no rights of third parties, in particular patent, brand and taste samples as well as other commercial protective rights, will be offended nationally or internationally.
- 8.2. If we are therefore held liable by third parties, the supplier will be obliged to exempt us from these claims on a first written request. If we reach a settlement with the third party or a comparable agreement in order to avoid legal disputes respectively in the frame of a legal dispute, this will only be binding for the supplier if he has granted his consent to such an agreement before.
- 8.3. The supplier's obligation for exemption refers to all applications that necessarily come into existence for us resulting from or in connection with the claims of a third party.
- 8.4. The limitation period for all claims with regard to a violation of para. 1 amounts to 36 months, starting with the transition of the risk.

## **9. Reservation of proprietary rights, provision, tools and secrecy**

- 9.1. As far as we provide parts at the supplier's, we reserve proprietary rights regarding these parts. Processing or reconstruction for us will be effected by the supplier. If our reserved parts get processed together with objects that do not belong to us, then we will become a co-owner of the new thing in proportion of the value of the reserved object (purchase price plus legal sales tax) to the other mixed objects at the time of the mixing.
- 9.2. If the object provided by us gets inseparately mixed with objects that do not belong to us, then we will become co-owners of the new object in proportion of the value of the reserved thing (purchase price plus legal sales tax) to the other mixed objects at the time of the mixing. If the mixing is done in a way that the supplier's object is regarded as the main thing, then it is considered as agreed that the supplier cedes a co-ownership to us. The supplier keeps the sole ownership or co-ownership safe for us.
- 9.3. We reserve proprietary rights regarding tools. Moreover, the supplier is obliged to use the tools exclusively for the manufacturing of the products ordered by us. The supplier is obliged to sign an adequate insurance contract for the tools pertaining to us at their purchase price against fire, water and theft. At the same time, the supplier already cedes to us any claims for compensation at this point of time. We herewith accept this cession. The supplier is obliged to effect necessary repair and inspection works as well as all maintenance and repair works regarding our tools at his own expense. The supplier is to inform us immediately about any accident.
- 9.4. As long as the securing rights in compliance with para. 1 or 2 that we are entitled to do not exceed the purchase price of all our reserved goods that have not been paid yet by more than 10%, on the supplier's request we will be obliged to decontrol the securing rights according to our choice.
- 9.5. The supplier is obliged to keep secrecy regarding all graphs, drawings, calculations and other documents and information received. They may only be disclosed towards third parties upon our expressive consent. The obligation to keep secrecy even remains effective after the termination of this contract. It expires as soon and as far as the technical knowledge contained in graphs, drawings, calculations and other documents left in the supplier's care has been generally disclosed.
- 9.6. Upon termination of the business relationships, the supplier commits himself to return to us all documents in the sense of para. 5 and objects provided without delay.
- 9.7. We do not acknowledge the suppliers' reservations of proprietary rights.

## **10. Final clauses**

- 10.1. Court of jurisdiction is Breidenbach/Germany, unless the supplier is not a businessman. However, we are entitled to also sue the supplier at his place of business.
- 10.2. Unless the order acknowledgement specifies something different, the place where the contract is to be fulfilled is Breidenbach/Germany.
- 10.3. The laws of the Federal Republic of Germany will exclusively be applicable. The effectiveness of the UN-purchase law is excluded.
- 10.4. Should individual clauses of these AEB be or become ineffective, this does not affect the effectiveness of the other clauses. The parties commit themselves to agree on such clauses instead of those ineffective ones that are as close as possible to the ineffective clauses in an economic sense.
- 10.5. Deviations from contractual regulations and supplementary agreements require the written form. This is also true for the renunciation of the written form requirement.
- 10.6. The German version is exclusively decisive when interpreting these AEB.
- 10.7. The customer commits himself to respectively retrieve the latest AEB from the Müller homepage at <http://www.muellerhome.com> on 1st January, 1st April, 1st July and 1st October and to inform himself about changes and modifications. In case the customer does not have access to the internet, we will dispatch a written version of the AEB on request for free.

Breidenbach, this 24. July 2020

as at 1st August 2020