

General terms and conditions of purchase

As of January 2017

I. General information, scope

(1.) Our terms and conditions of purchase apply exclusively; we will not accept any supplier terms which contradict or deviate from our terms and conditions of purchase unless which have explicitly agreed in writing that they apply. Our terms and conditions of purchase apply even if we accept delivery or performance from the supplier without reservation in awareness of supplier conditions which contradict or deviate from our terms and conditions of purchase.

(2.) All agreements made between us and the supplier for the purposes of implementing this contract must be set down in writing in this contract.

(3.) Our terms and conditions of purchase only apply in relation to companies, legal entities under public law or a special asset under public law as per section 310(1) BGB (Civil Code).

(4.) The product/supplier selection is also carried out on the basis of energy efficiency.

II. Quotation, quotation documents

(1.) The supplier is obliged to accept our order within a period of 7 calendar days, otherwise we shall be entitled to withdraw the order.

(2.) We reserve rights of ownership and copyrights to diagrams, drawings, calculations and other documents; they may not be made accessible to third parties without our explicit written authorisation. They must only be used for production on the basis of our order; after the order has been processed they must be returned to us without us having to request them. They must be kept confidential in relation to third parties; condition IX (5.) also applies in this respect.

(3.) If the supplier intends to discontinue the supply of products, then he must inform us of this as soon as he makes this decision, and at the latest 12 months before discontinuing supply. In this case the supplier must specify at least the Renishaw part number, intended replacement products and the last possible order and shipping dates.

III. Price, payment

(1.) The price stated in the order is binding. In the absence of any written agreement, the price includes delivered duty paid (DDP as per Incoterms 2010), including packaging. The return of packaging shall require a separate agreement.

(2.) The statutory VAT (USt) is not included in the price and must be stated separately in the invoice.

(3.) We can only process invoices which contain the order and parts number, quantity supplied and supplier number.

(4.) Unless agreed otherwise in writing, we will pay the purchase price within 14 days, calculated from (i) delivery or service performance in accordance with the contract or (ii) receipt of the invoice (whichever occurs later), with 2% early payment discount or within 30 days after invoice receipt at the net value.

(5) Payment by us does not imply acceptance that the delivery or performance complies with the contract. In the event of deficient or incomplete delivery or performance, without prejudice to our other rights, we shall be entitled to withhold payment of outstanding bills from the business relationship to an appropriate extent until proper performance.

IV. Delivery time

(1.) The time specified in the order for delivery or service performance is binding.

(2.) The supplier is obliged to inform us immediately in writing if circumstances occur or become known to him which mean that the stipulated time for delivery or service performance cannot be complied with.

(3.) In the event of default, we shall be entitled to the statutory remedies. In particular, after the unsuccessful expiry of an appropriate grace period, we shall be entitled to demand compensation instead of performance, and withdrawal. If we demand compensation, then the supplier shall be entitled to prove to us that he was not responsible for the breach of duty.

V. Transfer of risk, documents

(1.) Unless agreed otherwise in writing, the delivery must be made duty paid.

(2.) The supplier is obliged to state our precise order number on all shipping documents and delivery notes; if he fails to do this, then we will not be responsible for the delays that this causes in processing.

(3.) In the case of equipment, a technical description and instructions for use (and in relevant cases technical data sheets for the assessment of energy efficiency) must be included free of charge. In the case of software, the delivery obligation will only be fulfilled when the complete documentation is also handed over.

VI. Inspection of defects, liability for defects

(1.) We are obliged to examine the goods for any obvious quality and quantity problems within a reasonable period. We will complain about any defects as soon as they have been discovered. In this respect, the supplier waives the objection of delayed notice of defects.

(2.) We are entitled to the statutory claims for defects in full; in any case, we are entitled to demand our choice of rectification of defects or delivery of a new item, or repetition of the service without defects from the supplier. We explicitly reserve the right to compensation, in particular the right to compensation instead of performance.

(3.) We are entitled to rectify the defect ourselves at the supplier's expense if the supplier does not carry out the supplementary performance on time.

(4.) The limitation period is 36 months, calculated from the transfer of risk, unless the mandatory provisions of sections 478, 479 BGB apply.

(5.) In the event of a consumer goods purchase, the provisions of sections 478, 479 BGB shall remain unaffected.

(6.) If the supplier fulfils his obligation to remedy by providing a replacement delivery, then the limitation period starts again for the replacement goods from the time when they are delivered.

(7.) If we incur costs due to the defective delivery or performance, in particular transport, travel, labour, installation, dismantling or material costs, then the supplier must bear these costs.

VII. Product liability, indemnification, liability insurance protection

(1.) If claims are made against us due to product liability, then the supplier shall be obliged to indemnify us from any such claims if and to the extent that the damage was caused by a defect in the contractual object supplied by the supplier. In cases of fault-based liability, this shall only apply if the supplier is at fault. If the causes of the damage fall within the supplier's scope of responsibility, then he must prove that he is not at fault.

(2.) Within the framework of his own liability for losses as per paragraph (1), the supplier is also obliged to reimburse us for any expenses as per sections 683, 670 BGB or as per sections 830, 840, 426 BGB which we incur as a result of or in relation to any recall which we legitimately conduct. If possible and reasonable, we will inform the supplier in good time in advance of the content and scope of any such recall measures and give him the opportunity to provide an opinion.

(3.) We will provide the necessary notice to the relevant competent authorities as per the regulations of the *Produktsicherheitsgesetz* (Product Safety Act) in agreement with the supplier.

(4.) The supplier agrees to maintain product liability insurance with a sum insured of €5 million per case of personal injury/property damage (flat rate); if we have more extensive claims for compensation then these shall not be affected.

VIII. Property rights

(1.) The supplier grants us the non-exclusive, transferable, worldwide and perpetual right to use the deliveries and services including associated documentation, to integrate them into other products and to market them around the world.

(2.) The supplier shall ensure that no rights of third parties are infringed in relation to his delivery and performance.

(3.) If a third party makes claims against us in this respect, then the supplier is obliged to indemnify us from these claims on first demand and to do so in writing. In the event of compensation claims from the third party, the supplier is entitled to prove that he was not responsible for infringing the rights of the third party.

(4.) We are not permitted to make any agreements with the third party, in particular to agree a settlement, without the supplier's authorisation.

(5.) The supplier's obligation for indemnification relates to all expenses which we necessarily incur as a result of or in relation to claims being made by a third party.

IX. Reservation of title, provision, tools, confidentiality

(1.) If we provide parts to the supplier, then we reserve the ownership of them. Processing or alteration by the supplier will be carried out on our behalf. If our goods subject to reservation of title are processed with other items not belonging to us, then we acquire ownership in common of the new item in proportion to the value of our item (purchase price plus VAT) in comparison with the other processed items at the time of processing.

(2.) If the item we provide is inseparably mixed with other items not belonging to us, then we acquire ownership in common of the new item in proportion to the value of item subject to reservation of title (purchase price plus VAT) in comparison with the other mixed items at the time of mixing. If the mixing is carried out in such a way that the supplier's item is seen as the main component, then it is agreed that the supplier shall transfer proportionate ownership to us; the supplier shall hold the sole ownership or ownership in common on trust for us.

(3.) We reserve the right of ownership to tools; in addition, the supplier is obliged to use the tools exclusively for the production of the goods we order. The supplier is obliged, at his own expense, to insure the tools belonging to us against fire damage, water damage or theft at their replacement value. At the same time, the supplier now assigns in advance all compensation claims resulting from this insurance to us; we hereby accept this assignment. The supplier is obliged to conduct any necessary maintenance and inspection work for our tools, and to conduct all servicing and repair work, at his own expense in good time. He must report any incidents to us immediately; if he culpably fails to do this then this shall not affect claims for compensation.

(4.) If the security interests to which we are entitled as per paragraph (1) and/or paragraph (2) exceed the purchase price of all of our as yet unpaid goods subject to reservation of title by more than 10%, then when requested by the supplier we shall be obliged to release the security interests at our discretion.

(5.) The supplier is obliged to maintain strict confidentiality in relation to all received diagrams, drawings, calculations and other documents and information. They may only be disclosed to third parties with our explicit authorisation. These items may only be used for the fulfilment of our orders and must be released immediately on request. The obligation for confidentiality applies even after the end of this contract.

However, it shall expire if and to the extent that the production knowledge contained in the provided diagrams, drawings, calculations and other documents has become public knowledge or the supplier was demonstrably already aware of the information at the time that it was provided in the sense of sentence 1.

X. Statutory provisions

(1.) The supplier is obliged to comply with all applicable statutory regulations, in particular relating to the protection of employees, consumers and the environment,

and to indemnify us from all claims from third parties relating to the infringement of statutory provisions by the supplier.

(2.) The supplier is obliged to comply with the applicable regulations for hazardous materials and not to use prohibited materials. The supplier must specify materials that should be avoided if possible and hazardous materials as per the valid regulations. In addition, the supplier is obliged to provide safety data sheets with the quotations and with the delivery note for each initial delivery, and to forward information to us immediately in relation to exceeding materials restrictions and supplying prohibited materials.

(3.) In the event of deliveries and the performance of services, the supplier is solely responsible for compliance with the accident prevention regulations. Any required protective devices or instructions from the manufacturer must be included free of charge.

(4.) If the supplier performs deliveries or services on our business premises, then the supplier is obliged to comply with the instructions on safety, environmental and fire protection and efficient energy use for third parties, as amended.

(5.) In the event of deliveries and services from an EU Member State outside of Germany, the supplier must provide his EU VAT identification number.

(6.) In any case, the supplier is obliged to observe the foreign trade regulations (in particular the export control and customs provisions) which apply in the country of delivery and/or at our registered office. In all sales documents included with the deliveries (delivery note, invoice etc.), the supplier must indicate services subject to export approval or subject to the US (re-)export provisions with a corresponding classification (export list position, number of the

European dual use list or Export Control Classification number), and also state the valid statistical goods number (HS code) and the country of origin. The supplier is obliged, at his own expense, to provide all declarations and information required as per Regulation (EC) No. 1207/2001, to allow inspections by the customs authorities and to procure the required official confirmations.

XI. Jurisdiction, place of performance

(1.) If the supplier is a company, legal entity under public law or special asset under public law, then our registered office is the place of jurisdiction for all disputes resulting from this contract; however, we are also entitled to bring actions against the supplier in the court in the place where he is resident or has his business premises.

(2.) Unless specified otherwise in the order, our registered office is the place of performance.

(3.) The law of the Federal Republic of Germany applies exclusively. The United Nations Convention of 11/04/1980 on Contracts for the International Sale of Goods does not apply.

(4.) If individual provisions of the contract with the supplier, including these terms and conditions of purchase, are or become ineffective in full or in part, this shall not affect the validity of the remaining provisions. The partially or completely ineffective regulation will be replaced with a regulation which comes as close as possible to the economic result of the ineffective regulation.

(5.) The English language translation of these terms and conditions of purchase is provided for convenience only and the German language version shall control at all times.