

1. Application

- 1.1 These General Terms and Conditions of Purchase ("GTC") shall govern the purchase of goods ("Goods") or work performed or services ("Services") by Dräger* from a supplier ("Supplier") and shall form an integral component of any enquiry, offer, order, contract and agreement relating to such purchase.
- 1.2 Deviating terms and conditions - unless agreed to in writing - do not apply. Dräger and the Supplier may agree to terms and conditions deviating from these GTC, such terms shall then have priority over these GTC. These GTC apply even if Dräger accepts Goods with knowledge but without actual acceptance of deviating terms and conditions of the Supplier.

2. Offers

- 2.1 The Supplier shall be bound by its offer for a period of six months from receipt of the offer by Dräger. The Supplier's offer shall be valid for any company affiliated with Dräger within the meaning of §§ 15 et seq. of the German Stock Corporation Act (AktG).
- 2.2 Any offer by the Supplier must be accepted by Dräger in writing. The Supplier shall confirm acceptance within two working days in writing. Should the Supplier not confirm acceptance within two weeks, Dräger may cancel its acceptance.

3. Goods specification

- 3.1 The basis for the ordering of Goods shall be the item numbers, revision indices and/or material specifications of Dräger, which the Supplier shall use in all delivery papers and correspondence.
- 3.2 The Supplier shall request Dräger without undue delay for clarification in the event of unclear item numbers and/or material specifications.

4. Modifications

- 4.1 Dräger may from time to time and without notice modify specifications (e.g. drawings, packaging), dates and delivery destinations. The Supplier shall implement such modifications within a reasonable period.
- 4.2 In the event of *force majeure* (in particular, labour disputes), Dräger may suspend or cancel Goods and Services.
- 4.3 Modifications to the Supplier's Goods or Services by the Supplier that may affect the form, fit, function or certification must be notified to Dräger no less than four months prior to the desired commencement date. Modifications shall not be implemented without Dräger's written consent.

5. Prices

- 5.1 Goods shall be delivered DDP (Incoterms 2010) with Dräger's registered office being the delivery destination, unless Dräger specified a different delivery destination. Agreed prices shall be fixed prices and shall cover all costs to be borne by the Supplier according to DDP.
- 5.2 The compensation for Services shall cover any and all costs arising in conjunction with the relevant Service (e.g. travel costs, expenses).

6. Delivery and default

- 6.1 Goods shall be appropriately packaged by the Supplier at its expense taking into account the nature of the Goods and the mode of transportation.
- 6.2 The Supplier may not render partial delivery or performance without Dräger's prior written consent.
- 6.3 Any indicated service and delivery dates shall be binding. If no date is specified, the Goods or Services shall be delivered within ten working days following receipt of the order by the Supplier.
- 6.4 The delivery date shall be the date on which Dräger receives the Goods.
- 6.5 Any retention of title (*Eigentumsvorbehalt*) on the part of the Supplier over and above an ordinary retention of title shall be invalid.

7. Inspection of Goods

Should a quality assurance or similar agreement be in place between Dräger and the Supplier, Dräger's obligation to object to defects without undue delay (*Rügeflicht*) shall apply only to obvious damage and obvious deviations in the nature and quantity of given Goods. To this extent, the Supplier waives the defence of late inspection and notification of defects.

8. Contractual penalty

Should the Supplier culpably miss an agreed date for Goods or Services, it shall owe a contractual penalty of 1% of the total price for each commenced week by which the relevant date is exceeded, up to a maximum, however, of 5% of the total price. Additional rights of Dräger shall remain unaffected. Any contractual penalty shall be set off against compensatory damages claims on the part of Dräger based on the same default event.

9. Payments

- 9.1 Payments are rendered within 20 days subject to deduction of a 3 % discount or within 30 days net, after the due date of payment and receipt of both the invoice and the Goods or Services.
- 9.2 Payment shall be due and payable only pursuant to a due and proper invoice, which, in particular, meets the requirement of § 14 (4) of the

German Value Added Tax Act (UstG) (Article 226 of Directive 2006/112/EC).

- 9.3 The payment date shall be the date of the payment order by Dräger.
- 9.4 Payments by Dräger shall not constitute a confirmation that the Goods or Services conform to the specifications or are free and clear of defects.

10. Liability for defects (warranty)

- 10.1 The warranty period for Goods shall be 36 months after delivery or acceptance (if applicable) of the Goods or complete performance of the Services.
- 10.2 Goods are considered defective in particular if delivered Goods deviate from specifications, drawings or samples that Dräger has provided to the Supplier.
- 10.3 If Goods are defective, the Supplier shall, at Dräger's choice, rectify the defect or effect substitute delivery. If the rectification or substitute delivery fails, Dräger may fully or partially rescind the order. Other compensatory damages claims by Dräger shall remain unaffected thereby.
- 10.4 Defective Goods shall be sent back to the Supplier at the Supplier's expense. Notwithstanding additional costs, the Supplier shall pay Dräger a lump sum of up to EUR 120 for Dräger's processing of defective Goods

11 Liability

- 11.1 The Supplier shall be liable for damages (including financial damages) caused by defective Goods or a violation of contractual obligations by the Supplier, unless such damage was caused without Supplier's negligence or intent. This shall include reasonable costs for legal representation. The Supplier shall be responsible for negligence or intent by Supplier's sub-suppliers.
- 11.2 If products by Dräger are recalled to avert risks to life and limb because Goods delivered by the Supplier are defect, then the Supplier is liable for expenditures according to §§ 683, 670 BGB (German Civil Code). Dräger shall inform the Supplier without undue delay of potential recall actions and shall take the Supplier's interests into account.

12. Intellectual property rights

- 12.1 For Goods or Services manufactured or provided custom-made for Dräger, the Supplier shall transfer to Dräger any and all transferable intellectual property rights, in particular, rights in inventions and works subject to copyright protection. The Supplier shall, upon first request, provide Dräger free of charge with associated documents, models and drawings. The Supplier shall grant Dräger free of charge an unlimited, transferable licence in any non-transferable rights. To the extent permitted by law, Dräger may process underlying Goods and Services.
- 12.2 The Supplier warrants that its Goods/Services shall not infringe any third party industrial property rights. If third party industrial property rights are infringed, the Supplier shall remedy the infringement of industrial property rights by modifying the Goods/Service, acquiring relevant licences or in another manner. Otherwise, Dräger may rescind the order. Other rights on the part of Dräger shall remain unaffected.
- 12.3 The Supplier may not use trademarks and company designations of Dräger without prior written consent.

13. Confidentiality

The Supplier may not inform third parties of the contractual relationship with Dräger unless it is obliged to do so by public authorities or operation of law.

14. Tools

- 14.1 Should Dräger pay for the Supplier for tools that the Supplier uses for Goods and Services, the Supplier shall transfer ownership of such tools to Dräger, including any accessories, plans, documentation, etc. The Supplier shall provide Dräger constructive possession of the relevant tool and accessories (*Besitzmittlungsverhältnis*).
- 14.2 The Supplier shall mark any tools owned by Dräger permanently with "Dräger" and Dräger's inventory and material number. The tools shall be stored appropriately, protected against any type of damage and maintained in a functional condition. The Supplier shall maintain the tools at its own cost.
- 14.3 Tools owned by Dräger shall be used only to manufacture Goods for Dräger. The Supplier shall return the tools to Dräger upon first request to this effect.

15. Forum and applicable law

- 15.1 The contractual relationship between Dräger and the Supplier shall be governed by German law. The United Nations Convention on Contracts for the International Sale of Goods shall be excluded.
- 15.2 Forum is Lübeck, Germany. At its choice, Dräger may also bring actions at the Supplier's registered office.

* In these GTC "Dräger" means the company of the Dräger Group purchasing Goods or Services from the Supplier.