



General Purchase Conditions of W.O.M. WORLD OF MEDICINE GmbH

1. General Provisions, Bindingness

- 1.1 The following General Purchase Conditions (GPC) apply across all contract areas for all contracts concerning the purchase of goods or services of current and future contracts between W.O.M. WORLD OF MEDICINE GmbH (hereinafter: WOM) and its contractual partners (hereinafter: "Seller") and supplements to these contracts. The GPC apply only to entrepreneurs as defined by § 14 BGB (German Civil Code), legal persons under public law, and public-law special funds. They are an integral part of all contracts concluded with WOM.
- 1.2 The GPC apply in their currently valid version, also serving as a framework agreement for future contracts for the sale and / or delivery of movable goods with the same Seller, without us having to refer to the GPC again for each individual case. The current GPC of WOM apply, which are stored online at www.world-of-medicine.com.
- 1.3 These GPC apply exclusively. Deviating, conflicting, or additional General Business Terms and Conditions of the Seller become part of the contract only if and insofar as an employee of the WOM Purchasing department (hereafter: "WOM Purchasing") has expressly agreed to this and provided approval in writing. This approval requirement applies in all cases, for example, even when WOM unconditionally accepts deliveries of the Seller while being aware of the terms and conditions of the Seller.
- 1.4 Individual agreements made with the Seller in some cases (including collateral agreements, supplements, and amendments) shall always take precedence over these GPC. A written contract or a written confirmation by WOM Purchasing applies to the contents of such agreements.
- 1.5 Legally relevant declarations and notifications, which to be submitted by the Seller to WOM after the conclusion of the contract (e.g., deadlines, reminders, statement of withdrawal) shall be effective only in writing.
- 1.6 References to the validity or applicability of statutory provisions only serve clarification purposes. Even without such clarification, the statutory provisions apply unless directly modified or explicitly excluded in these GPC.

2. Contract Conclusion, Delivery Time and Delivery Delay

- 2.1 The subject matters, prices, and conditions defined and listed in quotations, orders, order confirmations or contracts are binding for the Seller. Obvious errors (e.g., typographical and arithmetic errors) and incompleteness of the order including the order documents must be reported to us by the Seller for the purpose of correction or completion before acceptance; otherwise, the contract is not considered concluded.
- 2.2 Offers and cost quotes by the Seller are free of charge for WOM.
- 2.3 The Seller is required to confirm our order within a period of 5 days in writing or by unconditionally fulfilling an order by shipping the goods (acceptance). A late acceptance constitutes a new offer and is subject to acceptance by WOM. Receipt of the declaration of acceptance by WOM is the decisive factor determining a timely acceptance.

3. Prices and Payment Terms and Conditions

- 3.1 The price specified in the order is binding if no other written agreement has been made with WOM Purchasing. All prices are without taxes (especially VAT). Unless otherwise agreed, the price includes delivery and transport to the delivery address specified in the contract, including packaging.
- 3.2 Unless otherwise agreed in individual cases, the price includes all performances and ancillary services of the Seller (e.g., assembly, installation) and all ancillary costs (e.g., proper packaging, transportation costs including any transport and liability insurance).
- 3.3 The agreed price is due within 30 calendar days after complete delivery and performance (including any agreed upon acceptance) and receipt of a proper invoice. If WOM makes payment within 14 calendar days, the Seller grants a 3% discount on the net amount of the invoice. Bank transfer payments are considered on time if the transfer order is received by the bank before the payment due date; WOM is not responsible for delays by the banks involved in the payment process.
- 3.4 All order confirmations, delivery notes, and invoices must list our WOM order number, the WOM article number, delivery quantity, delivery address, and billing address. Should one or more of these items be missing and if this causes a processing delay as part of our normal course of business, the payment periods referred to in paragraph 3.3 are extended by the period of the delay.

3.5 WOM does not owe any interest due. The arrears interest rate is 5 percentage points above the base interest rate. The statutory provisions apply to determining when we are in arrears, which in each case requires a written reminder by the Seller submitted to the WOM Accounting department, possibly in deviation from these provisions.

3.6 WOM is entitled to offset and retention rights and also has the right to object to the non-fulfilled contract to the full extent of the law. WOM is especially entitled to withhold payments due as long as WOM is still entitled to claims from incomplete or faulty performance by the Seller.

3.7 The Seller has an offset or retention right only based on legally established or undisputed counterclaims.

4. Performance, Delivery, Risk Transfer, and Acceptance Delay

4.1 The Seller is not authorized without prior written consent by WOM to commission third parties with carrying out the performance stipulated in the contract concluded between the Seller and W.O.M. The Seller bears the risk of procurement for his or her services, unless something differed is agreed in individual cases.

4.2 The delivery time specified in the order (delivery date or period) is binding.

4.3 The goods are delivered to the location specified in the order. The respective destination is also the place of fulfillment.

4.4 The delivery must be accompanied by a delivery note stating the date (issue and shipping), content of the delivery (article number and quantity with unit), as well as the WOM order number, delivery address and billing address. WOM is not responsible for a delay in processing and payment if due to a lack of a delivery note or due to an incomplete delivery note. A corresponding dispatch notification is to be sent out at the request of WOM.

4.5 If the latest date for a delivery is specified in the contract or can be determined due to the contract, the Seller is in arrears at the end of this day without requiring a reminder by WOM.

4.6 If the Seller is in arrears, WOM is entitled to charge a penalty of 1% of the net price per completed calendar week, but not more than 10% of the net price of the goods delivered with a delay. The Seller is entitled to prove that WOM has incurred a lesser amount of damages than the contractual penalty. The lower amount is to be paid as contractual penalty in this case. WOM is entitled to demand the contract penalty in addition to the contract fulfillment and, as minimum amount, the damages owed by the Seller under the statutory damages provisions; the right to claim further damages remains unaffected. If WOM accepts the delayed service or product, WOM shall demand the contractual penalty no later than the final payment.

4.7 The risk of accidental loss and accidental deterioration of the goods shall pass to WOM upon transfer at the place of fulfillment. If acceptance is agreed, this is the decisive factor for the transfer of risk. In case of acceptance, the statutory rules and regulations of the law on contracts for work and services apply accordingly in all other cases. If WOM is in default of acceptance, the transfer or acceptance remains the same.

4.8 The statutory provisions apply to the occurrence of WOM being in default of acceptance. The Seller, however, must offer WOM his or her performance expressly even if a specific or determinable amount of calendar time has been agreed for an action or involvement on the part of WOM (e.g., provision of material). If WOM is in acceptance default, the Seller may request reimbursement of his or her additional expenses based on the statutory provisions (§ 304 BGB). If the contract concerns non-fungible goods that are to be produced by the Seller (individual production), the Seller is entitled to further-reaching rights only if WOM agrees to provide assistance and is responsible for the failure to provide assistance.

5. Defective Delivery and Defect Complaint

5.1 The rights of WOM in case of material and deficiencies of title of the goods (including wrong and short delivery, improper installation, flawed installation, operation, or user manual) and other breaches of duty by the Seller, the statutory provisions apply unless subsequently agreed otherwise.

5.2 The goods must comply with the statutory provisions and in particular REACH (Regulation EC No 1907 /2006), RoHS (EU Directive 2002/95/EC and 2011/65/EU) and conform to the ElektroG (German Electrical Equipment Act).

5.3 According to the legal provisions, the Seller is liable in particular for ensuring that the goods have the agreed quality when transferring the risk to WOM. Specifications in general are regarded as an agreement of the product properties if they are subject of the relevant contract or have been included in the contract in the same way as these GPC - in particular by description or by referencing in the WOM order (revision). Here it makes no difference whether the product description comes from WOM, the Seller, or the manufacturer.

5.4 In deviation of § 442 section 1 subsection 2 BGB, WOM is entitled to fully claim defects even if the defect is remained unknown to WOM upon contract conclusion due to gross negligence.

5.5 The statutory provisions apply to the commercial obligation of examination and notification of defects (§§ 377, 381 HGB [German Commercial Code]), subject to the following: The WOM obligation of examination is limited to defects which are detectable by an exterior superficial incoming goods inspection, including the shipping documents as well as our quality random sampling (e.g., transport damage, wrong and short delivery). If acceptance is agreed, there is no obligation to examine. Moreover, this obligation is subject to the determination whether an investigation under the respective circumstances of each case is warranted during the course of ordinary business. The obligation of notification for later discovered defects remains unaffected. In all cases, the notification of a defect is considered made immediately and in time if received by the Seller within 7 working days. Other defect cases are subject to the outgoing goods inspection of the Seller. The Seller thus waives any rights for claiming a delayed and thus inapplicable defect notice or complaint.

5.6 The costs associated with the inspection and rework/repair incurred by the Seller (including any removal and installation costs) are the responsibility of the Seller even if it should be determined that a defect or flaw did not exist. WOM's liability for damages in case of an unjustified or unauthorized request to remedy a defect remains unaffected; however, WOM is only liable if WOM has realized or gross negligently did not realize that there was no defect.

5.7 If the Seller does not meet his or her obligation for a supplementary performance - either at the discretion of WOM by eliminating the defect (rectification) or by delivery of conforming goods (replacement) - within a reasonable time set by WOM, then WOM is authorized to remedy the defect itself and demand reimbursement of the expense required for this remedy or request an appropriate advance from the Seller. A deadline is not required if the supplementary performance by the Seller fails or is unacceptable to WOM (because of special urgency, danger to operational safety, or imminent occurrence of disproportionate damage); WOM shall inform the Seller immediately of such circumstances, if possible in advance.

5.8 Furthermore, WOM is also entitled to reduce the purchase price or to cancel the contract if a material defect or deficiencies of title apply as outlined by the statutory provisions. According to statutory provisions, WOM is also entitled to claim reimbursement of damages and expenses.

6. Seller Recourse

6.1 The applicable legal recourse rights within a given supply chain are available to WOM in full in addition to the defect claims. WOM is especially entitled to demand from the Seller exactly the type of supplementary performance which WOM owes its customer in a particular case. The legal options (§ 439 section 1 BGB) are not limited by this.

6.2 Before WOM recognizes or fulfills a defect claim submitted by one of WOM's customers (including reimbursement of expenses pursuant to §§ 478 section 3, 439 section 2 BGB), WOM shall notify the Seller and ask for a brief presentation of the facts with a written opinion statement. If the statement is not provided within a reasonable time - no longer than three weeks - and an amicable solution cannot be found either, the defect claim actually granted by WOM is considered owed to WOM's customer; it is up to the Seller in this case to provide proof of the contrary.

6.3 Claims from a Seller recourse also apply when the goods have been further processed by WOM or one of WOM's customers, e.g., by installing into a different product, before being sold to a consumer.

7. Manufacturer Liability

7.1 If the Seller is responsible for a product defect, he or she must release WOM and its subsidiaries from any third party claims insofar as the cause is within the Seller's sphere of control and organization and the Seller is responsible for such defects within the scope of the Seller's business relationships.

7.2 As part of his or her indemnification obligation, the Seller must reimburse expenses pursuant to §§ 683, 670 BGB, which arise out of or in connection with any claims by third parties, including recall measures carried out by WOM. WOM shall inform the Seller about the content and scope of the recall measures - if possible and reasonable - and give the Seller the opportunity to provide an opinion statement. Any additional legal rights remain unaffected.

7.3 The Seller shall obtain product liability insurance with a insurance sum coverage amounting to at least 5 million euros for each case of personal/property damage, to be maintained during the term of the contract. The Seller shall send WOM upon request at any time a copy of the liability insurance policy.

7.4 The provisions of section 7.1 and 7.2 are correspondingly applied in case of liability as outlined by the German Pharmaceutical Law.

8. Proprietary Rights

8.1 The Seller is responsible for ensuring that proprietary rights of third parties in countries of the European Union, North America, and other countries where the Seller manufactures the products or commissions the manufacture of these products are not violated in connection with his or her delivery. This applies especially to patents, trademarks, utility models, industrial designs, and copyrights.

8.2 The Seller is obligated to indemnify WOM from all claims submitted by third parties against WOM because of violation of the rights referred to in paragraph 1. The Seller also reimburses WOM for all necessary expenses incurred in connection with these claims. This claim is independent of any fault of the Seller.

9. Replacement Parts

9.1 Unless otherwise specified in writing, the Seller is obliged to stock replacement parts or ensure availability of replacement parts for the products or the product itself as a spare part as supplied to WOM for a period of at least 5 years after the last shipment.

9.2 WOM is able to release the Seller in writing of the obligation under para. 9.1.

9.3 If the Seller intends to stop the production of replacement parts for the products supplied to WOM, the Seller shall immediately inform WOM after the decision to cease production has been made. This decision must be made - subject to paragraph 1 - at least 12 months prior to the cessation of production and must be communicated to WOM Purchasing in writing.

10. Statutory Period of Limitation

10.1 The mutual claims of the parties expire as defined by the statutory period of limitation unless specified otherwise.

10.2 In deviation of § 438 section 1 No. 3 BGB, the general statutory period of limitation for defect claims is 3 years starting with the risk transfer. If acceptance is agreed, this statutory period of limitation starts with acceptance. The 3-year statutory period of limitation applies correspondingly also to claims from deficiencies of title, with the legal statutory period of limitations for real actions for recovery of property (§ 438 section 1 No. 1 BGB) remains unaffected; claims due to defects also do not expire regardless of the case as long as the third party is entitled to assert his or her rights towards WOM - especially if the statutory period of limitation has not expired.

10.3 The statutory periods of limitation of the laws governing the purchases of goods including applicable extension apply to the extent of the law for all contractual defect claims. Insofar as WOM is entitled to non-contractual claims for damages because of a defect, the regular statutory period of limitation applies (§§ 195, 199 BGB) unless the application of the statutory period of limitation of the laws governing the purchases of goods stipulate a longer period of limitation in particular cases.

11. Confidentiality and Retention of Property

11.1 WOM reserves the right of ownership and copyright for all of quotations, illustrations, diagrams, drawings, calculations, installation instructions, product specifications, and other documents sent or provided by WOM. Such documents shall be used solely for the contractual performance and are to be returned to WOM on completion of the contract. The documents are to be kept confidential from third parties even after the termination of contract. The confidentiality obligation shall not expire until and to the extent the information contained in the provided documents has become generally known. Upon request, the documents in addition to any copies made are to be returned to WOM free of charge.

11.2 Foregoing provision shall apply to substances and materials as well as tools, equipment, templates, samples, and other items that WOM provides to the Seller for production. Such objects are - as long as they are not processed - to be kept separately at the expense of the Seller and must be insured on an adequate scale against destruction and loss.

11.3 Processing, mixing, or combining (further processing/finishing) of supplied goods by the Seller shall be carried out on behalf of WOM. The same applies to the further processing of goods supplied by WOM, so that WOM is considered the manufacturer and acquires ownership of the product in accordance with the legal requirements at the latest upon further processing.

- 11.4 Equipment, tools, devices, and models that WOM makes available to the Seller or those made for contractual purposes, and for which WOM is charged separately by the Seller, shall remain the property of WOM or shall become the property of WOM. These must be identified by the Seller as the property of WOM, and they must be carefully maintained, insured against any damages, and used only for contract purposes. The cost of maintenance and repair of these items are carried by the contract partners at 50% each - unless otherwise agreed. However, where these costs are due to shortcomings or defects of such goods manufactured by the Seller or the improper use by the Seller, his or her employees or other agents, these costs shall be the sole responsibility of the Seller. The Seller will notify WOM immediately of any damages to these objects, regardless whether minor or severe. Upon request, the Seller is obliged to issue or return these items to WOM in proper condition if the Seller no longer needs them for fulfilling the contracts concluded with WOM.
- 11.5 Accessories defined by para. 11.4 as applicable to equipment include also especially the following: Equipment certificate or report, manufacturing documentation, maintenance and operating manuals and associated data such as machine parameters.
- 11.6 The transfer of ownership of the goods to WOM shall be made unconditionally and without regard to the payment of the price. However, if WOM accepts in individual cases an offer of the Seller for transfer of ownership contingent upon the purchase price, the reservation of title of the Seller becomes null and void latest upon paying the purchase price for the goods. WOM remains entitled to resell the goods during the ordinary course of business even before paying the purchase price under anticipatory assignment of any resulting claim (the alternative application of the simple and extended retention of title to the resale). This means all other forms of retention of title are excluded, especially the expanded, the assigned, and the extended retention of title applied to further processing.
- 11.7 Only standard parts of the company Hasco or the company Meusbürger or compatible standard parts are to be used for the equipment or tooling insert construction. Additional costs incurred by WOM resulting from not using standard Hasco or Meusbürger or a compatible standard part are the sole responsibility of the Seller.

12. Final Provisions, Applicable Law and Jurisdiction

- 12.1 The laws of the Federal Republic of Germany, excluding international uniform law, in particular the UN Sales Convention (CISG), apply to these GPC and all legal relations between WOM and the Seller. Conditions and effects of retention of title are subject to the laws of the respective storage location of the item, as far as the selected law is then ineffective or impermissible in favor of German law.
- 12.2 If the Seller is a merchant as defined by the German Commercial Code, legal entity under public law, or a public special fund, the exclusive - and international legal venue for all disputes arising from the contractual relationship is the WOM headquarters in Berlin. However, WOM is also entitled to sue at the place of the delivery obligation.

13. Validity

- 13.1 The above terms and conditions apply to orders effective March 1, 2013. These GPC also apply to future contracts with WOM.