- 1. The supplier shall ensure that the goods comply with our specifications, including their package design and labeling. Our order or our commission shall be executed in a professional and proper manner and in accordance with the latest state of technology.
- 2. The statutory provisions relating to material defects and defects in title shall apply, to the extent that nothing is agreed to the contrary hereinafter.
- 3. We shall be required to inform the supplier immediately of any defects in or the defective execution of a delivery, as soon as they are identified in the context of a standard commercial procedure. In the event of the delivery of defective goods the supplier shall be given the opportunity to rectify the defects (by reworking/redelivery). We shall be entitled to select one of these options at our discretion. Subject to the conditions of Section 439(2) of the German Civil Code (Bürgerliches Gesetzbuch), the supplier shall be entitled to reject the mode of rectification selected by us. In urgent cases we shall be entitled to rectify any defect ourselves, or to have such defect rectified by a third party. In particular, an urgent case shall arise where to avoid severe risk or significant damage it becomes impossible or unreasonable to inform the supplier of the damage and to set the supplier a deadline, albeit a short one, to take remedial action. The supplier must be informed immediately of such a procedure. The supplier shall reimburse to us any costs incurred in connection therewith.
- 4. In the event that compensation is paid in respect of damage suffered, the supplier shall be obliged to compensate us for any damage which we suffer directly and/or indirectly as the result of a defect. This shall also include compensation in respect of consequential damage.
- 5. Should any procurement risk be assumed and/or a guarantee given, the supplier shall be liable regardless of culpability.
- 6. The warranty period shall as a rule be three years from the date of the delivery of the goods (transfer of risk). Such warranty period shall be extended correspondingly whenever we are obliged to grant our customers longer warranty periods. Should any claim be brought against us on the basis of any right of recourse within the meaning of Section 478 BGB, the periods stipulated in that section shall apply.
- 7. In the case of any defects of title for which he is responsible, the supplier shall indemnify us in respect of any third-party claims.
- 8. As regards parts delivered as replacements during the warranty period, the statute of limitations shall regularly begin to run again from the date of such a substitute delivery. For parts repaired within the warranty period, the restart of the statute of limitations shall only apply to the original defect and the consequences of the reworking. It shall not apply where the supplier expressly and rightfully reserves the right to perform the repair solely out of goodwill, to avoid disputes or with a view to upholding the supply relationship.
- 9. Should we incur costs as the result of any defective delivery or other defective performance, and in particular transport costs, material costs, labor costs, replacement costs or the cost of an incoming inspection exceeding the ordinary scope, the supplier shall be obliged to reimburse such costs to us.