

General Terms of Purchase of ANDREAS STIHL AG & Co. KG for Hardware

1 Scope of supply, type of delivery

- 1.1 The supplier shall deliver the hardware in the scope arising from the contractual agreement. The scope of delivery shall in any case include complete documentation even in the absence of an explicit agreement to this effect. If software, in particular an operating system, is necessary in order to operate the hardware, this software, preinstalled if STIHL so requests, shall be included in the scope of delivery, likewise even in the absence of an explicit agreement to this effect. STIHL shall be granted a non-exclusive, transferable license, for an unlimited period of time, to use the software on the delivered hardware for all types of use.
- 1.2 Subject to deviating agreements in individual cases, delivery shall be made carriage paid to the destination stated by STIHL. If, by way of exception, STIHL has to pay carriage on account of an explicit agreement, the supplier must choose the mode of transport stipulated by STIHL, otherwise the mode of transport that is least expensive for STIHL.
- 1.3 The supplier shall enclose a delivery note with the delivery. Besides the usual information, this shall contain the STIHL purchase order number.

2 Transfer of risk, delivery dates and deadlines

- 2.1 The risk for the hardware shall only transfer to STIHL at the destination upon acceptance by STIHL or upon successful start-up at STIHL's business if the delivered hardware is installed or started up by the supplier.
- 2.2 Contracted delivery deadlines or delivery dates are binding. Delivery deadlines start from the date of the purchase order. By the delivery deadline, the merchandise must have been received at the destination stated by STIHL or, if it has been agreed that the supplier will start up the hardware, must have been started up by the supplier.
- 2.3 If a day, a week or a quarter is designated as a delivery deadline, the supplier is in default in the event of non-delivery on the first day of the subsequent period, without any reminder being required.
- 2.4 The supplier can only plead the defense of lack of or deficiency in information or actions on the part of STIHL if these were expressly contracted and were demanded or complained about in due time. Then the delivery time shall be extended appropriately.
- 2.5 If delays in making delivery are anticipated, the supplier shall notify STIHL of this immediately. STIHL shall notify the supplier about STIHL's decision with regard to the further course of action within one week after receipt of the supplier's notification.
- 2.6 If the supplier is in default, STIHL has the right to demand a contractual penalty in the amount of 1/2% of the purchase order value per week or remaining fraction thereof, at most, however, 5% of the purchase order value. The supplier remains free to prove that damages have not been incurred or are substantially lower than the flat rate. STIHL further reserves the right to assert the contractual penalty up until the final payment even if the late delivery is accepted. The right to other compensation shall not be excluded by the demand for the contractual penalty. The contractual penalty shall be credited to this compensation.
- 2.7 STIHL is under no obligation to accept the hardware before the delivery date.
- 2.8 If the STIHL company or companies that are buying the hardware are hindered by events in their production that are beyond STIHL's control, STIHL shall be entitled to shift delivery dates reasonably.

3 Qualities of the hardware, liability for material defects

- 3.1 The hardware shall be executed in the manner customary in the trade in accordance with STIHL's written purchase order and the applicable technical regulations, in particular German Institute for Standardization regulations and the applicable European standards in the respective version valid at the time of delivery. If these standards do not correspond to the state of the art applicable to the delivered product, the supplier shall deliver the hardware at least according to the state of the art.
- 3.2 The supplier represents and warrants that the hardware complies with the applicable safety engineering and other regulations at the place and time of delivery and is inspected and certified in the manner stipulated in each case at the place of delivery.
- 3.3 The supplier represents and warrants that the hardware has all of the qualities that were ascribed to the hardware in an offer or at any time orally or in writing by the supplier or manufacturer and that the hardware corresponds in each case to the acknowledged rules of engineering and is unafflicted by defects that nullify or diminish its value or fitness for the intended use and/or purpose.
- 3.4 STIHL shall be entitled to the statutory warranty rights - including compensation claims – subject to the following provisions:
 - 3.4.1 If the supplier fails to fulfill supplier's supplementary performance obligation within a reasonable time period set by STIHL, STIHL shall be entitled to remedy the defect itself or through third-parties at the supplier's expense pursuant to Art. 437 German Civil Code. The costs and expenditures incurred due to this shall be

borne by the supplier. STIHL shall also have an immediate right to remedy defects itself to avert jeopardization of operational safety or in the face of impending unreasonably high damages at STIHL or third parties. In such cases, the supplier shall be notified immediately.

- 3.4.2 Saving an agreement to the contrary, the warranty period is 24 months from the handing over of the object of delivery. In the case of work and services to be performed by the supplier, the period shall begin upon acceptance. This shall not affect longer statutory periods of limitation. In any case, the warranty period shall end at the latest 60 months after delivery of the object to STIHL.
- 3.5 STIHL shall be deemed to have satisfied its obligation to make complaints pursuant to Art. 377 German Commercial Code if STIHL reports apparent defects to the supplier within 10 days after delivery and hidden defects within 10 days after discovery. Acceptance of the merchandise and/or repeat ordering of merchandise that has not yet been discovered to be defective and which has not been complained about yet does not constitute acceptance of delivery or waiver of claims due to defects.

4 Product liability, indemnification

- 4.1 The supplier is obligated to indemnify and hold STIHL harmless from third-party product liability claims if and to the extent that the supplier is responsible, according to the principles of the body of law governing product liability, for a defect in the delivered hardware and the damage incurred. This shall not affect further statutory claims.
- 4.2 The supplier shall take out and maintain a product liability insurance policy with adequate coverage. The supplier shall produce proof of the existence of this insurance upon demand. The supplier assigns all claims against insurers to STIHL in so far as they concern deliveries to STIHL. STIHL accepts this assignment.

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