

## General Terms and Conditions of Purchase

### Date: 22. January 2018

#### 1. Scope

- (1) The following terms and conditions in the version valid on respective conclusion of contract apply exclusively to all present and future orders. We do not accept additions or changes or the supplier's terms and conditions that contradict or differ from these terms and conditions of purchase save authorised representatives of both parties to the contract confirm this in writing. This also applies if we accept deliveries or services without reservation although we are aware of changes or contradictory or differing terms and conditions of the supplier.

In the case of contradictory general terms and conditions of business our terms and conditions shall apply in any event in so far as they do not contradict the supplier's terms and conditions.

- (2) All correspondence must name our job, commission or order number.

#### 2. Orders

- (1) Only written orders are valid. Oral agreements must be confirmed by us in writing to have validity.
- (2) The supplier must execute the orders himself save we have agreed to contracting of a sub-contractor or the purchase of materials or parts by the supplier is normal practice or necessary to execute our order.
- (3) Additional work not contained in the scope of the order may only be performed if it has previously been contracted by us. Supplementary proposals and extensions to orders are to be costed on the basis of the main order. All agreements and conditions of the respectively placed order also apply in such a case. The costing basis of the main order and supplementary proposals or extensions to orders is to be disclosed to us on our demand.

#### 3. Prices and terms of payment

- (1) All prices named in the order are fixed prices. They include the costs of free delivery to our delivery address, packaging and insurance as well as any customs duties and charges. Any price increases must be accepted by us in writing. In the event of a significant reduction in the production costs we are entitled to demand a corresponding reduction in price.
- (2) In the case of deliveries of machinery and equipment the supplier shall install and commission same on our demand. If the equipment necessary for this is provided by the supplier, the costs for this are contained in the proposal. If additional development work by the supplier is required to execute our order, we only assume costs for this after prior written agreement.
- (3) Payment shall be rendered after performance within 90 calendar days.

We are allowed to make a discount of 3 % by payments within 30 calendar days.

The payment periods commence on receipt of an auditable instalment, partial or final invoice at the address named in the order. We are fundamentally entitled to pay by cheque. The date of payment for payment by cheque is the day on which the cheque was sent. The date of transfer from a bank account is the day on which the payment order was presented or sent to a bank.

- (4) We are entitled to set off our claims against those of the supplier. We are also entitled to enforce right of retention.
- (5) The supplier is only entitled to set off and to assert rights of retention if his counter-claims are either undisputed or legally binding. A further condition for the ability to assert a right of retention is that the supplier's claims stem from the same contractual relationship.
- (6) A separate invoice must be issued in duplicate for every delivery. We are only obligated to process invoices if they contain our order number and suitable proof of performance is attached to them.
- (7) Any assignment of receivables due to the supplier from us is only effective with our consent. Should such an assignment nevertheless be effective, we may however render payment to the supplier as previous creditor with debt-discharging effect.

- (8) Foreign bank transfers to the supplier

The client generally applies a so-called share arrangement for foreign bank transfers to the supplier, which means the client bears the fees and expenses of his bank and the supplier (beneficiary) the remaining fees and expenses.

#### 4. Deliveries – Passage of risk

- (1) The supplier delivers free of charge to the respective delivery address named by us. The risk of accidental loss and accidental deterioration only passes over to us on receipt of the goods at the destination. The supplier must process and package the goods designated for us in such a way that the carriers are not entitled to refuse liability for transport damage.
- (2) Every delivery is to be accompanied by delivery notes and shipping advices in duplicate. If the shipping address is other than our own address, a delivery note is to be sent to us on the day of delivery.
- (3) The delivery time / delivery period named in the order is binding. It relates to receipt of the goods at the delivery address named in the order. Delivery periods commence on the date of the order. The supplier is not entitled to effect partial deliveries save it has been agreed otherwise by way of exception. If this is the case, partial or final deliveries are to be marked accordingly. We are not obligated to accept the goods before the date of delivery.
- (4) If, for whatever reason, delays in delivery are likely, the supplier is to inform us of this without delay as soon as this becomes apparent to him. Our other rights in the case of a delay in delivery are not affected by this.
- (5) If the agreed delivery dates are not observed, we, without prejudice to further claims, are entitled after expiry of a reasonable period of grace to be set by us to withdraw from the contract. If the supplier is in default, we can claim compensation for damages in addition to or instead of the delivery.
- (6) Title to the goods passes over to us at the time the goods are accepted; the supplier is not entitled to any reservation of title.
- (7) The supplier is to take back any empty containers, residues, waste and remaining quantities free of charge. As far as waste disposal isn't ulterior settled contractual different not dangerous as well as dangerous waste, residues etc. have to be disposed by the supplier in accordance with legal regulations, particularly the Kreislaufwirtschaftsgesetz (KrWG), on suppliers responsibility and costs. The costs are included in the agreed prices. Documentation of waste disposal from certified disposal companies (§ 53 - § 57 KrWG) have to be given to us unasked. Targets and measures of the environmental management system according DIN EN ISO 14001 of us have to be considered.
- (8) Our approval of drawings, calculations and other documents does not in any way affect the supplier's sole responsibility for the object of performance. This also applies to suggestions, recommendations and other forms of cooperation by us.
- (9) After timely prior notification we and our employees and/or third parties appointed by us shall be granted access to the manufacturing facilities in order to check, among others, the manufacturing progress, use of suitable materials, assignment of necessary specialised staff and execution of the ordered work in accordance with the rules of the art. Such inspections are carried out without any legal effect whatsoever regarding possible acceptance; an inspection does not replace acceptance or in any way restrict the sole responsibility of the supplier for his work; in particular, no defence of contributory default by us may be derived from such inspections.
- (10) The supplier warrants that spare and wear parts will be available for every order for a period of at least 10 years after the end of the warranty period.
- (11) It is the responsibility of the supplier to check before accepting the order whether the objects and/or their components named in the order are classified as hazardous goods in their country of origin, country of destination and/or all transit countries (e.g. paints, adhesives, chemicals or inflammable, oxidising, explosive, combustible, toxic, radioactive, corrosive goods or goods that tend to self-heat). In such cases the supplier is to inform us without delay giving full details. The supplier is to send us the necessary binding declarations legally required for shipment of such goods, in a correctly filled-in and duly signed form, at the latest with his written confirmation of our order.

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(12) Regarding the packaging, marking and declaration of hazardous goods, the supplier is obligated to observe the applicable national and international regulations, in particular

Sea freight	Hazardous Goods Ordinance – Sea IMDG Code
Air freight	UNICAO IATA RAR US-Dot
Rail transport	EVO/RID and Hazardous Goods Ordinance – Rail
Road transport	ADR and Hazardous Goods Ordinance – Road
General	Hazardous Substances Ordinance

Possible deviating and/or additional national regulations of the respective country of destination must also be observed if the country of destination was named in the order.

(13) The supplier shall be liable for all damage arising as a result of incorrect information in the binding declarations or failure to comply with existing regulations when handling (packaging, shipping, storage, etc.) hazardous goods.

#### 5. Warranty – Notices of defects

- (1) The delivered products are inspected by us for quality and quantity deviations within a reasonable period of time. Notice of defects that can be identified on due inspection can be given up to the end of 10 calendar days since the goods were received and notice of defects for concealed defects within 10 calendar days of their discovery. Payment does not imply any acceptance of the delivery or performance as contractual or fault-free.
- (2) The supplier assumes full liability for fault-free execution in accordance with the state of the art. If deficiencies are found in individual spot checks of a shipment, we are entitled to reject the complete shipment. Delivered products must conform to the applicable drawings and our respective specifications and also be packed properly and correctly and secured for transport. Any instructions on installation and maintenance as well as operating instructions must be delivered with the products.
- (3) If the goods are defective, we are entitled, in accordance with statutory warranty provisions, to demand cure through, at our discretion, supplementary delivery or replacement delivery at the supplier's expense. Return shipments are effected at the supplier's expense and risk. If the supplier does not meet this demand within a reasonable period of time set by us, we may reduce the price, withdraw from the contract and/or demand compensation for damages instead of performance. The last-named does not apply if the supplier can show that he is not responsible for the deficient state of the goods.
- (4) We are further entitled, analogously to Section 637 of the German Civil Code, after expiry of the period granted for cure and in urgent cases to be agreed with the supplier also before expiry of the period to remedy the defect ourselves or to have the defect remedied by a third party, both at the supplier's expense.
- (5) If we withdraw from the contract due to a defect in the goods, the supplier is to reimburse us the costs of the contract even if he is not responsible for the defect.
- (6) The statutory warranty periods shall apply.
- (7) All particulars given by the supplier in proposals, technical specifications, brochures, etc. on the quality of the performance shall, in so far as they do not contradict the bases of the contract, become part of the contract and are agreed qualities in terms of Section 434 of the German Civil Code. At the same time the supplier assumes a guarantee of quality (Section 443 of the German Civil Code) for this quality, according to which he is liable if the quality concerned should not be attained within the period of limitation for the guarantee claims. This liability includes the obligation of the supplier to compensate us for our resultant losses (e.g. due to dismantling of defective and mounting of defect-free material, transport, travel, work and material costs, damage to the work of third parties, etc.). This also applies even if the supplier is not responsible for the defect.

#### 6. Supplier's obligation to pay compensation for damages

- (1) The supplier is liable without restriction and according to statutory provisions for all damages caused to us in rendering of the contractual performance by him or his vicarious agents.
- (2) The supplier further confirms with acceptance of the order that he has liability insurance cover for injuries to people, damage to property and pecuniary losses of € 2.500.000,00 or an equivalent sum in a foreign currency. Confirmation of this by the insurer is to be submitted annually.
- (3) If the supplier assumes installation/assembly of the object of delivery, we assign him the duty to implement safety precautions. The supplier is to ensure within the framework of the order that precautions are implemented at all danger points to render them reliably safe and is therefore responsible vis-à-vis all third parties pursuant to tort law. It is incumbent upon us to monitor and check compliance with the duty to implement safety precautions. The supplier indemnifies us from all liability within the scope of his responsibility.

- (4) The supplier is responsible for all damages arising in connection with his work through infringement of environmental protection regulations (e.g. emission control laws, waste oil and water management laws, waste disposal laws and/or related ordinances). He is to indemnify us in this connection from all possible claims for damages by third parties on first written request. Further to this, he is to compensate us for our losses.

#### 7. Product liability

- (1) The supplier is obligated to indemnify us from product-liability claims by third parties if and to the extent that he is responsible for the product according to the principles of product liability law. Further legal claims are reserved.
- (2) Further to this, we are entitled to reimbursement of all expenses we incur, particularly in connection with product recalls initiated by us as a result thereof; we shall inform the supplier in advance of the type and scope of product recalls as far as possible and reasonable. Further legal claims are reserved.
- (3) The same applies accordingly if product defects are attributable to the work of the supplier's sub-contractors or sub-suppliers.
- (4) The supplier is obligated to maintain sufficient insurance cover for product liability and to furnish written proof of this to us at any time on demand, in particular by written confirmation by the supplier's insurer.

#### 8. Third party rights

- (1) The supplier guarantees that no rights of third parties will be infringed in conjunction with his delivery.
- (2) If claims are asserted against us by a third party due to infringement of his rights, the supplier is obligated to indemnify us from these claims. This obligation of indemnification relates to all expenses necessarily incurred by us in connection with the claim by a third party.

#### 9. Order documents – Secrecy

- (1) We reserve title and copyright to all drawings, models, patterns and other documents we make available to the supplier.

The named documents may only be used for manufacturing of our orders. If redrawing of our drawings is necessary, the supplier shall attach our copyright notice. On termination of the contract our documents are to be returned to us of the supplier's own accord.

- (2) The supplier is obligated to keep the documents arising in connection with performance of the contract for a period of at least 10 years from delivery to us.

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- (3) The supplier is obligated to keep all information of a technical and non-technical nature, in particular drawings, models, patterns and other documents, received from us secret and not to pass them on to third parties; third parties are also companies associated with the supplier.

In addition to this, technical information of whatever type may not be moved abroad. The secrecy obligation also endures for the period after processing of the contract. It does not apply to public knowledge that entered the public domain through no breach of contract by the supplier.

- (4) Information given to us by the supplier is not deemed confidential save the supplier agreed this in writing with us before accepting the order.
- (5) The supplier is obligated to inform us in writing without delay whether and to what extent state export permits will be necessary or similar legal or official requirements need to be fulfilled for the order as a whole or part of it or whether they are subject to US export restrictions.

#### 10. Tools – Furnished materials

- (1) Only calibrated measuring instruments, test equipment and gauges may be used.
- (2) Should we furnish the supplier with tools, materials and parts in order to implement the order, they remain our property and are to be marked as such. Should our sole ownership of these objects lapse due to processing, combination or mixing, the parties to the contract are agreed that we become sole owners of the new object. Handover is substituted by us leaving the new object with the supplier for safekeeping until delivery.
- (3) Tools, materials and parts that we give the supplier for execution may – like the ordered product itself – only be used for manufacturing of our order.

#### 11. Supplier's claims for damages

- (1) Claims for damages by the supplier are, no matter for what legal reason, excluded for minor negligence. This disclaimer does not apply to injuries to life, limb or health or minor negligent breaches of essential contractual duties.
- (2) In cases of minor negligent breach of essential contractual duties our liability is restricted to compensation of the typical loss foreseeable on conclusion of contract. The same applies in the case of gross negligent actions by simple vicarious agents.
- (3) In so far as our liability is excluded or restricted, the same applies for the personal liability of our employees, other personnel, representatives and vicarious agents.

#### 12. Force majeure

- (1) Should we be hindered in fulfilling our contractual duties, in particular acceptance of the goods, by force majeure, we shall be released from our performance duty for the duration of the impediment plus a reasonable start-up time. Equivalent to force majeure are unforeseeable circumstances for which we are not responsible and which unreasonably impede acceptance or render same impossible temporarily. Examples of this are industrial disputes, regulatory actions, lack of energy and significant disruptions in our operations. Should these impediments endure for more than three months, both parties are entitled to withdraw from the contract.

- (2) Our right to withdraw from the contract in the case of force majeure in the supplier's operations that render performance impossible not only for the short term remains unaffected.

#### 13. Announcements

- (1) Announcements of whatever type on the building project by the supplier or a third party with the supplier's consent are only permitted with our prior written consent. This applies particularly also to naming of the building project as reference. Announcements in this sense also include descriptions of the building work, disclosure and forwarding of drawings, calculations, specifications or other documents, and further also photographs as well as film, radio and TV recordings.
- (2) The supplier is obligated to maintain secrecy vis-à-vis third parties regarding all knowledge and information on the building project he has learnt of or learns of in so far as this knowledge and information does not stem from publicly accessible sources and in so far as forwarding of the knowledge and information is not absolutely necessary for implementation of the contract.

#### 14. Applicability of other terms and conditions

- (1) In so far as the presence of the supplier or his vicarious agents on our premises or in our offices or in those of our client is necessary for execution of the order, the respective house rules for third-party employees become part of the contract.

#### 15. Occupational safety

The supplier is obligated at his own expense and on his own responsibility to implement necessary occupational safety measures – in particular to conduct a risk assessment and initiate the measures resulting from it – taking the circumstances that influence the health and safety of his employees at work into consideration, to check their efficacy and, where necessary, to adapt them to changing circumstances. Further, the supplier must brief his employees adequately and reasonably on health and safety issues according to applicable regulations. He must monitor activities involving particular risk continuously through a suitable supervisor appointed by him. The supplier is to provide his employees with the necessary protective equipment at his expense and monitor its use. He is to document all measures (risk assessment plus resultant measures, checks, briefings, monitoring activities, etc.) and present such documents to us on demand.

#### 16. Partial invalidity

Should individual provisions of our terms and conditions of purchase be legally ineffective or impracticable, the other provisions shall remain effective. The ineffective provision is to be replaced by a provision that comes closest to the original economic intent in a legally admissible way.

#### 16. Place of performance – Place of jurisdiction – Applicable law

- (1) The place of performance is the place of the delivery address.
- (2) In so far as the supplier is a registered business the place of jurisdiction is the place of business of the office that placed the order. We are, however, also entitled to sue the supplier at his place of residence or business.
- (3) The law of the Federal Republic of Germany alone shall apply. The UN Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
- (4) We do not participate in the Alternative Dispute Resolutions action.