

General Purchasing Terms of Tridelta Thermprozess GmbH



1. Scope

1.1 Business deals with Suppliers - including future deals - shall not be subject to any other Purchasing Terms than those set forth herein. Any change in these terms must be acknowledged by us in writing to be effective.

1.2 Our Purchasing Terms shall be generally applicable. No other purchasing terms conflicting with or differing from ours shall be accepted, unless we have given express written consent to their validity. Our Purchasing Terms shall even prevail in cases when a Supplier shipment is unconditionally accepted by us having full knowledge of the Supplier's conflicting or differing purchasing terms.

2. Quotation - Quotation documents - Ordering

2.1 The Supplier recognises that our order must be accepted within a time period of two weeks. Upon expiry of this time limit, we shall consider ourselves no longer bound to the particular order. Orders are only valid if placed in writing or confirmed by us in writing.

2.2 We retain title of ownership and intellectual property of illustrations, drawings, calculations and other documents which are provided to the Supplier. They shall not be made available to third parties, unless by express written consent on our part, and are then to be used for no other purpose than manufacturing to our order. Upon completion of an order, they shall be returned to us unsolicited. Disclosure to third parties is prohibited.

2.3 Supplier quotations will be considered as firm and binding and free of charge on our part.

3. Pricing - terms of payment

3.1 Quoted prices shall be regarded as binding. In default of deviating written agreements, the price shall be considered as quoted including free delivery and packaging. The reshipment of packaging shall require a separate agreement.

3.2 Invoices can only be handled when containing the order number indicated in our order specifications. The Supplier shall be held responsible for all consequences resulting from failure to comply with this requirement.

3.3 Receivables shall be payable on arrival of the complete goods shipment and receipt of correctly compiled invoicing documents.

3.4 Unless anything to the contrary has been stipulated in writing, we shall pay the sales price fourteen (14) days from delivery and receipt of invoice with 3%

discount, or thirty (30) days net from delivery and receipt of invoice.

3.5 We shall be entitled to set-off and retention as required by law.

3.6 The Supplier shall only be allowed to assign, pledge or otherwise transfer receivables against us, if he has procured our prior written consent to do so.

4. Delivery date

4.1 Once an order is acknowledged, its quoted delivery date shall be binding and must be met. For compliance with a delivery date, the day on which expected goods arrive on our premises shall be decisive. The Supplier shall be obliged to give prompt written notice if circumstances occur or become known to him, which suggest that a specified delivery date can not be kept.

4.2 In the event of failure to deliver, we shall be entitled to claims under statutory law. Notably, we may demand compensation of damage due to non-fulfilment after a reasonably fixed grace period has expired.

4.3 In the event of failure to deliver, we shall be entitled to charge a penalty of 1% of the ordered value per commencing week in default but not more than 10% of the ordered value. We also reserve claims for compensation of further damage. If we claim compensation of damage, penalties will be set off against any such further damage. We shall be obliged to make our reservation of charging penalties at the very latest upon settling the invoice which follows a late delivery.

4.4 Partial deliveries and deliveries ahead of schedule shall only be permissible if our prior written consent has been obtained. They shall not bind us to effect partial payment or payment ahead of schedule.

5. Risk passing - documents

5.1 Except when otherwise stipulated in writing, deliveries shall be free our address.

5.2 The Supplier shall be required to state our correct order number on all shipping papers and delivery notes. Failure to do so will inevitably cause delays in document processing, for which we shall assume no responsibility.

6. Warranty - notice of defect

6.1 We shall inspect incoming goods for non-conforming quality and quantity within a reasonable period of time. Notice of any defect shall be deemed as properly served if dispatched to the Supplier within two weeks following receipt of goods. For hidden defects, this two weeks' notice period shall only

commence on obtaining knowledge of a defect.

6.2 If goods at the time of arrival on our premises are found to contain defects or be lacking warranted characteristics, we shall be entitled to demand beside a recession for breach of warranty and a reduction of the purchase price/reduction in price, at our discretion, a subsequent improvement or a replacement. The Supplier shall bear all expenditure required to remove a defect or provide a replacement. We expressly reserve our right to compensation of damage, notably in the event of non-fulfilment.

6.3 Warranty shall be twenty four (24) months from the day of risk passing.

6.4 In cases of urgency, we shall be entitled to perform subsequent improvements ourselves by agreement with the Supplier. If required subsequent improvements are carried out by us, the purchase price/price shall be decreased by the cost of subsequent improvements at least.

7. Retention of title –Our provided parts/materials - Tools - Secrecy

7.1 A retention of title of the Supplier shall only become part of a contract, if deemed null and void on payment of the price that is agreed for goods delivered subject to retention of title, and we are entitled to resell and process such goods in normal business operations. No further going retention of Supplier's title shall be accepted.

7.2 Where we provide the Supplier with parts/materials, we shall retain title to such parts/materials. Any processing or transformation thereof by the Supplier shall be deemed to have been performed on our behalf. If our parts/materials are provided to the Supplier with retention of our title and processed together with other objects not in our possession, we shall acquire co-ownership of the resulting product to the extent that the value of our provided parts/materials relate to that of the other parts involved at the time of processing.

7.3 Where our provided parts/materials are inseparably combined with other parts not in our possession, we shall acquire co-ownership of the resulting product to the extent that our parts provided with retention of title relate to the value of other components involved at the time of combination. Should combination occur in such a manner that the Supplier's component has to be regarded as the main component, it is understood that the Supplier shall grant us a proportional right of coownership. The Supplier shall keep our sole or partial property in safe custody on our behalf.

7.4 We shall retain title to tools manufactured to our order. The Supplier shall be entitled to use these tools for no other purpose than that of manufacturing the goods we have ordered. The Supplier shall, at his own cost, insure tools in our possession at their value when new against fire, water, and theft. He shall be obliged to carry out necessary maintenance and inspection work duly in time and at his own cost. We shall be immediately notified of any malfunction. If he fails to do so through his own fault, claims for compensation of damage shall be unaffected.

7.5 The Supplier shall be obliged to keep all provided samples, drawings, calculations and other documents and information strictly confidential. They may only be disclosed to third parties with our express approval. This secrecy requirement shall survive the completion of a contract. It expires if and to the extent that the manufacturing knowledge which is contained in furnished illustrations, drawings, calculations and other documents enters the public domain.

8. Industrial property rights – Rights of use

8.1 The Supplier warrants that his deliveries do not infringe any rights of a third party on the territory of the Federal Republic of Germany. He agrees to indemnify and hold us harmless against all claims of a third party. This indemnification commitment shall apply for any expenditure or damage we incur or suffer due to, or in connection with, claims filed by a third party.

8.2 Exclusive rights of use and industrial property rights to illustrations, drawings, product descriptions and data sheets are assigned to us immediately, inasmuch as these have been compiled or manufactured to our order. We shall be entitled to have the exclusive right of use and exclusive exploitation rights regarding these results.

8.3 We shall be entitled to publish results produced or compiled on our behalf. Any publication by a Supplier shall require our prior written approval.

9. Product liability – Indemnification – Liability insurance

9.1 Where the Supplier is responsible for product damage, he shall, upon first notification, indemnify us from third-party claims for compensation of damage to the extent that such damage was caused under his control and organisational responsibility and he is himself liable in relationships with third parties.

9.2 The Supplier shall also be obliged to refund any expenditure resulting from, or in connection with, a recall action carried out on our part. We shall notify the Supplier of the content and scope of projected recall actions as far as possible and reasonable, and provide him with a possibility to state his position.

9.3 The Supplier shall be obliged to maintain a product liability insurance

with an insured sum of 2,5 million Euro per personal injury and per damage to property. Where we are entitled to ongoing claims for compensation of damage, these shall remain unaffected.

10. Miscellaneous

10.1 Except when otherwise specified in the order, our registered place of business shall be the place of fulfilment.

10.2 For Suppliers who are merchants according to the terms of the German Commercial Code, our registered place of business shall be regarded as the exclusive legal venue, unless legal requirements prescribe a different legal venue as compulsory. We shall however also be entitled to file an action against the Supplier with the court of competence at the Supplier's registered place of business.

10.3 The foregoing Purchasing Terms and all legal relations between us and the Supplier shall be exclusively governed by the Law of the Federal Republic of Germany, to the exclusion of the UN-Convention on Contracts for the International Sale of Goods.