

General Conditions of Purchase

§ 1 Application

- (1) These terms and conditions of purchase shall apply exclusively. Differing or contrary terms shall not apply except if expressly agreed upon in writing.
- (2) These terms and conditions of purchase shall also govern all future transactions between the parties and shall also apply if we accept delivery despite our knowledge of differing or contrary terms.
- (3) These terms and conditions of purchase shall only apply vis à vis entrepreneurs, governmental entities, or special governmental estates in the meaning of sect. 310 para. 1 BGB (German Civil Code).

§ 2 Offer, Acceptance, Confidentiality

- (1) The seller shall accept this order within a reasonable time not exceeding two weeks.
- (2) With acceptance of the order the seller acknowledges to have inspected any existing and/or available documentation, documents, drawings and plans for making himself familiar with the nature and scope of the requested performance.
- (3) We retain title and copyright with regard to any illustrations, drawings, calculations, samples, models, designs and any other documents. They must not be made available to third parties without our express approval.
They may be used exclusively to produce the requirements specified in our purchase order, they must be returned to us without request after completion of the order. They must not be made available to third parties without our express approval.
The obligation to maintain confidentiality shall remain in force even after expiry of the contract. This obligation shall not apply to such kind of information which belongs to the free state-of-the-art accessible to any person at the time of its disclosure or evidently belongs to the internal state-of-the-art of the seller.
The obligation of confidentiality shall expire in the event that we disclose the project, at least to the extent of the primary features.
- (4) In the case of any obvious errors, typing and calculation errors in the documents made available by us we shall not be committed in any way. The seller is obligated to inform us of such errors so as to enable us to correct and replace the order. The same applies to lacking documents or drawings.

§ 3 Prices, Payment

- (1) Prices include delivery to our facilities, including the respective statutory VAT and including any and all costs for packaging, except as otherwise expressly agreed upon.
- (2) The seller must issue and provide us with a separate invoice for each order; each invoice must be submitted in duplicate. The invoices must not be enclosed with the consignment. We are only able to process these invoices, if they contain the purchase order number indicated in our purchase order.
- (3) The purchase price is due and payable within 14 days from receipt of the proper invoice with a 3% discount or net within 30 days from receipt of the proper invoice.

§ 4 Offset, Retainer

We reserve all rights to offset or retain payment provided by applicable law.

§ 5 Delivery

- (1) All delivery dates stated in the order or otherwise agreed upon are binding.
We are not obligated to take delivery prior to the agreed delivery date.
- (2) The seller shall immediately inform us of any threatening or existing delay in delivery, the reasons for such delay and the anticipated duration of such delay. The foregoing shall not affect the occurrence of a default in delivery.
- (3) In case of default in delivery we reserve all rights under applicable law.

§ 6 Passing of Risk, Shipment

- (1) The risk of accidental loss or deterioration of the goods passes to us upon proper and complete delivery free domicile at the agreed place of delivery.
- (2) The seller undertakes to indicate our purchase order number on all shipping documents and delivery notes; we are not to be held responsible for processing delays, if the seller fails to do so.

§ 7 Inspection for defects, Liability, Warranty

- (1) If no individual quality agreement has been made, the seller shall check the goods prior to delivery as to whether they comply with the contractually agreed qualities, and, if agreed, to document the condition of the goods in a works leaving certificate. Our inspection of incoming goods is restricted to their identity, quantity, any damages occurred during transport or obvious defects.
Further inspection of the delivered goods will only be made on the occasion of product-accompanying quality controls under our quality management system. Due to such procedure the seller waives the defence of insufficient or delayed inspection of incoming goods according to § 377 HGB (German Commercial Code).
- (2) We are entitled to the statutory warranty rights without any restrictions. We are especially entitled, at our own discretion, to claim remedy of defects, delivery of conforming goods and damages.
- (3) In case of imminent danger we are entitled, after giving notice to the seller, to remedy the defects on the seller's cost.
- (4) Warranty claims for defects shall be time-barred after 36 month of the passage of risk.
- (5) We are entitled to carry out product audits to check the quality of the goods and the procedures of the seller. If required, also employees of our customers are permitted to participate in such product audits.

§ 8 Product Liability, Insurance

- (1) The seller shall, upon first demand, indemnify us and hold us harmless from and against any and all liability or claims of third parties based on the manufacture, delivery, storage, or use of the delivered goods. The above indemnification shall not apply if the claim is based on our intentional or grossly negligent breach of duties.
- (2) The seller shall, at all times during the term of this contract, maintain product liability insurance with an adequate insurance amount for occurrence of personal and property damage. Further damages shall remain unaffected.

§ 9 Reservation of title, provision of goods

- (1) We retain title to any material which we may provide to the seller. The material must be stored separately and shall only be used for the performance of our purchase orders. The seller will be liable for any impairment of value or loss even if he is not at fault. In the case that our material to which we retain title is processed with any other objects or blended inseparably, we will become co-owner of the new object to such a proportional extent which is commensurate with the value of our object (purchase price plus VAT) as compared to the other processed or blended objects at the time of processing or blending.

§ 10 Warranty of Title

- (1) The seller warrants that the goods are free from rights of third parties and that delivery of the goods does not violate any rights of third parties. The seller shall indemnify us, upon first demand, from any claims of third parties in this regard.
- (2) Claims based on defect in title shall be time-barred pursuant to sect. 7 (4) above.

§ 11 Additional contract stipulations on occupational safety for external contractors

In the event of work performed on the customer's premises the contractor is obliged according to the Occupational Safety and Health Act to take measures that correspond to the accident prevention regulations and the generally accepted rules on safety and occupational health to prevent work accidents. Requirements from other legal provisions, particularly occupational safety and health regulations, shall remain unaffected. Furthermore, the contractor is obliged to follow the internal regulations on occupational safety and health, fire safety and environmental protection and to monitor and make sure that the persons employed by him adhere to these regulations.

§ 12 Applicable Law, Jurisdiction

- (1) This contract shall be governed by the laws of the Federal Republic of Germany (excluding the Convention on Contracts for the International Sale of Goods).
- (2) Place of performance and exclusive place of jurisdiction for all disputes arising out of or in connection with this contract shall be Frankenberg (Eder), Germany.

Status: March 2016

EWIKON

EWIKON Heißkanalsysteme GmbH
Siegener Straße 35 • 35066 Frankenberg
Tel: (+49) 64 51 / 50 10 • Fax: (+49) 64 51 / 50 12 02
E-mail: info@ewikon.com • www.ewikon.com