# **General Purchasing Conditions** WITTE PUMPS & TECHNOLOGY GmbH



### Chapt, (1) General aspects - scope of application

The following purchase conditions apply exclusively to our purchases. Any deviation or amendment requires an express written agreement in order to be effective. Deviating conditions of the supplier which we do not expressly acknowledge in writing are non-binding for us, even if we do not expressly object to them. The acceptance of order confirmations, delivery notes and other documents, the acceptance of the goods and the performance of payments shall not be deemed to be recognition of deviating terms and conditions of the supplier, even if no express reservation or objection is made.

## Chapt. (2) Order - order confirmation - offer documents

Our orders are only binding if they are placed by us in writing using our order forms. The supplier is obliged to accept our order within two weeks. Order confirmations deviating from our orders as well as other modifications shall only be regarded as objections if they expressly refer to the deviation. The transmission of deviating pre-formulated terms and conditions, the pre-formulated reference thereto and any other declaration in the pre-formulated part of the order confirmation shall not be sufficient. Any order confirmation which expressly contradicts our order and/or our conditions of purchase or expressly deviates therefrom shall be deemed a rejection of our order. We are not obliged to point this out separately. Our silence shall not be deemed consent to such an order confirmation. Telex and telegraphic orders are written declarations within the meaning of our Terms and Conditions of Purchase. Verbal, in particular telephone orders, supplements, amendments or other agreements shall only become binding if confirmed by us in writing within five working days. All drafts, drawings, films, samples, tools and similar items which we provide to the supplier or which the supplier manufactures for us shall remain or become our property and shall be returned to us at any time upon our request. The supplier cannot assert a right of retention on the above-mentioned objects.

### Chapt, (3) Delivery time

The delivery dates stated in the order are binding. The receipt of the merchandise at our specified place of reception is applicable for the compliance with the delivery date. As soon as the supplier must expect that he will not be able to make the delivery in time, in whole or in part, he must inform us immediately, stating the reasons and the expected duration of the delay. The supplier shall bear any additional costs for accelerated modes of transport ordered by us which become necessary as a result of exceeding the delivery time. If the delivery is delayed for a reason for which the supplier is responsible, we shall be entitled, at our discretion: a) to demand performance. mance and, in addition, damages for delayed delivery; or b) after the fruitless expiry of a reasonable period to withdraw from the contract and to demand damages instead of performance. If a delivery contract exists which provides for the individual deliveries of a certain quantity to be called off by us (successive delivery contract), and if a delivery is delayed despite a contractual call off for a reason for which the supplier is responsible, we shall be entitled to the rights in accordance with paragraph (3) both with regard to or pending partial delivery and with regard to the entire order. If our order is expressly designated as a fixed purchase, we shall have the right to withdraw from the contract without any prior declarations, and to claim damages instead of to withdraw income the contract without any prior declarations, and to claim darlages insead or performance in the event of any delay in delivery for which the supplier is not responsible. If the delivery is partially delayed, the above provisions pursuant to paragraphs (3) - (5) shall apply with regard to the outstanding performance. If the partial performance rendered is of no interest to us, we shall be entitled to return the performance rendered at the supplier's expense and to claim damages in lieu of performance with respect to the entire contract and to withdraw from the contract as a whole. The provision on delay in delivery shall apply accordingly in the event of impossibility of performance. If the supplier informs the customer that performance is impossible, a grace period shall not apply.

The prices stated in the order are fixed and binding. The prices are understood to include statutory value-added tax, packaging and delivery "free domicile". The return of the packaging requires a special agreement. The place of performance shall be the receiving plant.

The transport risk up to the time of delivery shall be borne by the supplier. The said shall bear the costs of marine, storage and transport insurance. Unless expressly agreed otherwise, goods are accepted every working day (Monday to Friday) from Monday to Friday from 07:00 a.m. to 12:00 p.m. as well as from 12:30 a.m. to 04:00 p.m. from Monday to Thursday. Any additional costs incurred for unloading outside the times stated may be passed on.

Payment of the invoice shall be made at our discretion within 14 working days of receipt of the goods and invoice with a 3 pc discount or within 30 days net. If the invoice is received later than the goods and shipping documents, the date of receipt of the invoice shall be decisive for calculating the payment and discount periods. The calculation basis for cash discounts is the total price including all ancillary costs and value added tax. All other forms of payment require a special written agreement. We can only process invoices if they state the order number shown in our order in accordance with the specifications in our order. Materials ordered by us must show

the manufacturer and order number or batch number on the packaging.

The supplier shall be responsible for all consequences resulting from non-compliance with these obligations, unless the said can prove that he/she is not responsible for them. In particular, the said shall reimburse us for all costs incurred as a result of incomplete or incorrect information. We shall be entitled to set-off and retention rights to the extent permitted by law.

# Chapt. (6) Defect investigation and complaint

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The goods shall be accepted exclusively subject to the assertion of quality and quantity complaints. Certificates of outgoing goods inspection must be enclosed with the delivered goods upon request. After delivery in the receiving plant and receipt of the proper shipping documents, the goods shall be inspected as soon and as far as this is feasible in the proper course of business and according to type and intended use. In any case complaints shall be deemed to have been raised immediately if they are made within a period of five working days after delivery of the goods and receipt of the shipping documents or, in the case of hidden defects, as from their discovery.

Chapt. (7) Liability for defects

All deliveries must be unrestrictedly of the quality and suitability customary in the trade and correspond to the latest state of the art, as guaranteed in the offer or demanded in the order, in the absence of special requirements. The quality and suitability required in the order shall be deemed guaranteed. The claim for damages instead of performance shall include all consequential damage. When supplying machines, technical equipment of all kinds and auxiliary materials, the supplier guarantees that they comply with all relevant statutory provisions of the Federal Republic of Germany and the European Community, in particular with regard to accident prevention, other safety measures and environmental protection, and all other generally recognised standards (e.g. VDE and DIN standards). We shall be entitled to the statutory claims for defects in full; in any case, we shall be entitled to demand from the supplier, at our discretion, either rectification of the defect or delivery of a new item. The right to compensation, in particular the right to compensation instead of performance, is expressly reserved. We shall be entitled to remedy the defect ourselves at the supplier's expense if there is imminent danger or special urgency. The packaging of the goods delivered to us must comply with all requirements of normal transport

or transport notified to the supplier and normal storage or storage notified to the supplier. In the event of disagreement about quality defects, an expert appointed by the Hamburg Chamber of

Industry and Commerce shall decide on the matter as arbitrator.

This shall not affect the due process of law. The limitation period for material defect claims shall be 24 months, calculated from the transfer of risk. The supplier guarantees that the delivered goods are free of rights of third parties. He guarantees that no infringement of any industrial property rights will occur through acceptance, use, processing and resale of the delivered goods. At our first written request, the supplier shall indemnify us against any claims by third parties for infringement of industrial property rights or copyrights. The period of limitation shall be ten years, calculated from the conclusion of the contract.

## Chapt. (8) Operating instructions

In case the items delivered are already operating machines, the following shall apply. The supplier shall be obligated to attach to the delivery items all technical instructions necessary for the safe and accident-free operation and maintenance of the delivered items. The supplier assures and guarantees that all technical instructions supplied are complete and factually correct and correspond not only to the series but also to the current technical status of the delivery items. Furthermore, the supplier assures that the technical instructions supplied with the machine comply with the regulations and recommendations of the EC Machinery Directive with regard to their didactic quality and comprehensibility.

Chapt. (9) Product liability - indemnity - liability insurance cover

If the supplier is responsible for product damage, the said shall be obliged to indemnify us against claims for damages by third parties upon first written request as the cause lies within his against claims for darlages by finite parties upon instantial intermediates as the cause lies within his sphere of control and organisation and he is himself liable in the external relationship. In conformity with Chapt. (1) the supplier shall also be obligated to reimburse any expenses pursuant to Section 683, 670 of the German Civil Code or pursuant to Sections 830, 840, 426 of the German Civil Code which result from or in connection with a recall action carried out by us. As far as possible and reasonable, we shall inform the supplier about the content and scope of the recall measures to be carried out and give him the opportunity to comment. Other statutory claims shall remain unaffected. The supplier undertakes to maintain a product liability insurance with a sum insured of € 10 million per personal injury/property damage - lump sum; if we are entitled to further claims for damages, these shall remain unaffected.

Chapt. (10) CE marking for products requiring marking

By affixing the CE marking, the seller/supplier declares that the product meets the requirements of the relevant currently valid EC directives (/see also /EC Regulation No. 765/2008, Chapter IV - Article 30 \_//General principles of CE marking") The seller/supplier undertakes to indicate the standards applied to the EC declaration of conformity. The EC declaration of conformity required in each case must be sent at the latest along with the delivery/invoice and is an essential part of the service provision. The right to assert further claims for damages is expressly reserved. of the service provision. The right to assert further claims for damages is expressly reserved

### Chapt. (11) Free-issue parts

If we provide parts to the supplier, we reserve title to them. Processing or alteration by the supplier shall be carried out on our behalf. If our reserved goods are processed with other objects not belonging to us, we shall acquire co-ownership of the new object in the ratio of the value of our object (purchase price plus VAT) to the other processed objects at the time of processing. If the item provided by us is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the item subject to retention of title (purchase price plus VAT) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the supplier's item is to be regarded as the main item, it shall be deemed agreed that the supplier shall transfer co-ownership to us pro rata; the supplier shall keep the sole ownership or co-ownership in safe custody for us.

# Chapt. (12) Default in acceptance

In the event of a hindrance to acceptance due to unforeseen circumstances which we could not avert after exercising reasonable care, we shall be released from the obligation to accept for the duration of the hindrance. This shall also apply in particular in the event of a disruption caused by industrial action of any kind.

# Chapt. (13) Retention of title of the supplier

The simple retention of title shall be accepted by us if the supplier expressly requests this in writing. An extended or prolonged reservation of title and any obligations associated therewith shall not be accepted by us.

Chapt. (14) Confidentiality
The supplier is obliged to keep all received illustrations, drawings, calculations and other documents and information strictly confidential. The said may only be disclosed to third parties with our express consent. The same applies to the conclusion of this contract and all commercial and technical details which are not public domain. These shall be treated as trade secrets. Subcontractors shall be obligated accordingly. The joint business relationship may only be referred to in advertising materials with our express consent. The obligation to maintain secrecy shall also apply after completion of this contract; it shall expire if and to the extent that the manufacturing knowledge contained in the illustrations, drawings, calculations and other documents provided has become generally known.

# Chapt, (15) Assignment

Claims of the supplier may only be assigned with our written consent.

Chapt. (16) Severability clause
If individual provisions of our Terms and Conditions of Purchase should be invalid for any reason, the validity of the remaining provisions shall not be affected thereby. The parties undertake, if necessary, to replace an invalid provision with one that comes as close as possible to the desired legal and economic result.

Chapt. (17) Applicable law - legal venue
These Terms and Conditions of Purchase shall be governed exclusively by the laws of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG). The exclusive place of jurisdiction for all disputes arising from or in connection with these Terms and Conditions of Purchase or orders placed on the basis thereof shall be Tornesch.