

General Terms and Conditions of Purchase of ISGUS GmbH

1. General – Scope of Application

- 1.1 Our Terms and Conditions of Purchase shall apply exclusively. We do not recognise any terms and conditions of the Supplier that conflict with or deviate from our Terms and Conditions of Purchase unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply even if we unconditionally accept the Supplier's delivery in the knowledge that the Supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase.
- 1.2 All agreements made between us and the Supplier for the purpose of executing this contract must be set out in writing.

2. Offer – Order – Documents

- 2.1 The Supplier is obliged to accept our order within a period of two (2) weeks. Until receipt of the Supplier's declaration of acceptance, we shall be entitled to cancel orders at any time. Delivery call-off shall become binding if the Supplier does not object within five (5) days of receipt.
- 2.2 We reserve the property rights and copyrights to illustrations, drawings, calculations and other documents. Such documents are to be used exclusively for production based on our order; after the order has been processed, they must be returned to us unsolicited. They may not be made accessible to third parties and must be kept secret from them. The Supplier requires our express written consent before passing them on to third parties.
- 2.3 Cost estimates prepared by the Supplier are binding and are not be remunerated by us.

3. Prices – Terms of Delivery and Payment

- 3.1 The price stated in the order is binding. In the absence of any written agreement to the contrary, the prices for deliveries and services are carriage paid, including packaging. The return of packaging requires special agreement.
- 3.2 Unless otherwise agreed, statutory value added tax (VAT) is not included in the price.
- 3.3 We request invoices in duplicate and delivery notes in a single copy. The Supplier shall be responsible for all consequences arising from non-compliance with this obligation.
- 3.4 Payments shall be made within 14 days with a 3 % discount or within 30 days net. Deviating terms of payment shall only be accepted with our express consent. Payment is made subject to invoice verification.
- 3.5 The payment term begins as soon as the delivery or service has been provided in full and the duly issued invoice has been received. Discounts may also be deducted if we offset or withhold an appropriate amount of payment due to defects. In this case, the payment term shall commence after the defects have been fully remedied.
- 3.6 We reserve the right to pay invoices with discountable bills of exchange or cheques. We shall be entitled to set-off and retention rights to the extent permitted by law.
- 3.7 The assignment of claims against us is only permitted with our written consent.
- 3.9 Excess or short deliveries to any extent are only permitted if this has been expressly agreed when the order quantity is specified.

4. Delivery Time

- 4.1 The delivery time stated in the order is binding.
- 4.2 The Supplier is obliged to inform us immediately in writing if circumstances arise or become apparent which indicate that the agreed delivery time cannot be met.
- 4.3 If the agreed delivery deadlines are not met, we shall be entitled to cancel the order and/or demand compensation and/or procure a replacement from a third party, without prejudice to further statutory rights.
- 4.4 Acceptance of delayed deliveries or services does not constitute a waiver of claims for damages.
- 4.5 In the event of a delay in delivery, we shall be entitled to demand flat-rate compensation for delay in the amount of 1% of the delivery value per completed week, but not more than 10%; we reserve the right to assert further statutory claims. The Supplier shall have the right to prove to us that no damage or significantly less damage has been incurred as a result of the delay.
- 4.6 If we are in default of acceptance or debtor's delay, the Supplier's claim for reimbursement of expenses shall be limited to 0.5% of the delivery value per full week, unless the delay is due to intent or gross negligence.

5. Transfer of Risk – Documents

- 5.1 Unless otherwise agreed in writing, delivery shall be made carriage paid, including packaging.
- 5.2 The Supplier is obliged to state our order number, the order date and the exact description of the goods on all shipping documents and delivery notes; failure to do so will result in processing delays for which we accept no responsibility.

6. Inspection for Defects – Warranty

- Upon receipt of the goods, we will inspect the goods for obvious defects, identity, shortages and transport damage. There are no further inspection obligations. A complaint shall be deemed timely if it is received by the Supplier within a period of 14 working days after delivery. The Supplier waives the defence of late notification of defects.
- 6.2 We are entitled to full statutory warranty claims; irrespective of this, we shall be entitled, at our discretion, to demand that the Supplier rectifies the defect or delivers a defect-free item. In this case, the Supplier is obliged to bear all expenses required for the purpose of remedying the defect, in particular transport, travel, labour and material costs. The right to full compensation for damages is expressly reserved.
- 6.3 If we have a particular interest in immediate rectification due to the avoidance of our own delay or other urgency, we may opt to carry out rectifications ourselves at the Supplier's expense without setting a deadline.

- 6.4 If a material defect becomes apparent within six (6) months of delivery, it shall be assumed that the material defect was already present at the time of transfer of risk, unless this assumption is incompatible with the nature of the defect.
- 6.5 The warranty period is two (2) years, and five (5) years for building materials within the meaning of Section 438 (1) No. 2 b) BGB (German Civil Code), calculated from delivery.

7. Total Liability

- 7.1 Insofar as the Supplier is responsible for product damage, they are obliged to indemnify us against claims for damages by third parties on first demand insofar as the cause lies within their sphere of control and organisation and they are liable in relation to third parties.
- 7.2 The Supplier undertakes to maintain product liability insurance with appropriate cover for personal injury and property damage. However, our claims for damages are not limited to the amount of this cover.

8. Property rights

- 8.1 The Supplier guarantees that no third-party rights are infringed in connection with their delivery. The Supplier agrees that we may sell the products supplied by them – including installed and processed – worldwide.
- 8.2 If claims are asserted against us by a third party for this reason, the Supplier is obliged to indemnify us against these claims upon first written request; we are not authorised to make any agreements with the third party – without the consent of the supplier – in particular to conclude a settlement.
- 8.3 The obligation to indemnify relates to all expenses necessarily incurred by us from or in connection with the claim by a third party.

9. Provision of Materials – Tools – Retention of Title

- 9.1 If we provide parts to the Supplier, we retain ownership thereof. Processing or remodelling by the Supplier is to be carried out on our behalf. If our retained goods are processed with other items that do not belong to us, we shall acquire co-ownership of the new item in the ratio of the value of our retained goods to the other processed items at the time of processing.
- 9.2 If our retained goods are inseparably mixed with other items that do not belong to us, we shall acquire co-ownership of the new item in the ratio of the value of our retained goods 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 is hereby agreed that the Supplier shall transfer co-ownership to us on a pro rata basis; the Supplier shall safeguard the sole or co-ownership for us.
- 9.3 We reserve ownership of tools; the Supplier is obliged to use the tools exclusively for the manufacture of the goods ordered by us. The Supplier is obliged to insure the tools belonging to us at replacement value against fire, water damage and theft at their own expense. They are also obliged to carry out any necessary maintenance and inspection work in a timely manner at their own expense. They must notify us immediately of any malfunctions; deliberate failure to do so will result in claims for damages remaining unaffected.
- 9.4 Products manufactured according to documents designed by us, such as drawings, models, etc., or according to our confidential information or with our tools, may neither be used by the Supplier nor offered or supplied to third parties.
10. **Place of Jurisdiction – Place of Fulfilment**
- 10.1 If the Supplier is a merchant, the place of jurisdiction is Villingen-Schwenningen. However, we are also entitled to sue the Supplier at the court of their place of residence.
- 10.2 Unless otherwise agreed in writing, the place of fulfilment is Villingen-Schwenningen.
- 10.3 This contract is governed exclusively by the laws of the Federal Republic of Germany.

11. Goods Receipt

- 11.1 Deliveries can only be accepted Monday to Thursday from 8.30 am to 11.30 am and from 1.30 pm to 4.00 pm, Fridays from 8.30 am to 11.30 am.