

General Terms and Conditions of Purchase of the TTZH Tribologie und Hochtechnologie GmbH (TTZH)

1. GENERAL

These General Terms and Conditions of Purchase are valid, unless otherwise agreed in writing between the TTZH (hereafter called Company) and the Supplier, for all deliveries and provision of services commissioned by the Supplier. Through placing of a quotation, acknowledgement of purchase order, through acceptance or implementation of a purchase order the Supplier submits to these General Terms and Conditions of Purchase, so long as the Company has advised him of these in connection with an advertised bidding, a request or a purchase order, or has made to know these to him generally in another way so he has to reckon with their application. General terms and conditions of the Supplier and conditions variant of the written purchase order of the Company or these General Terms and Conditions of Purchase are only valid if and as far as they have been accepted specifically and in writing by the Company. This also applies if the Supplier refers to his general terms and conditions in his quote or the acknowledgement of purchase order. Should it be impossible to apply certain provisions of these General Conditions of Purchase through any reason this does not affect the remaining provisions. In all papers including bills, the purchase order number, reference sign and date of the Companies letter have to be stated.

2. QUOTATION, PURCHASE ORDER AND ACKNOWLEDGEMENT OF PURCHASE ORDER

The quotation has to be submitted twofold and free of charge. In his quotation the Supplier has to stick to the amount, quality and implementation, stated in the request or the advertised bidding and has to point out any deviations specifically. He is bound to his quotation for the period of three months. To be binding the purchase order has to be drawn up in writing. Oral agreements are only valid, if confirmed in writing by the Company. Purchase orders are to be acknowledged immediately in writing by the Supplier. The Company reserves the right to withdraw the purchase order, if the acknowledgement does not arrive within an acceptable time span.

3. PRICES

The agreed prices are fixed prices without sales tax / VAT and understood free domicile, including packaging. In case of a different agreement the freight- and packaging charges are to be disbursed by the Supplier and stated separately and in particular in the bills.

4. PACKAGING

Packaging is to be limited to the most necessary. It should be reusable and materially utilizable. Packaging material is to be taken back by the Supplier without warranty for condition and without special charges. The same applies for empty containers, e.g. toner cartridges, ink cartridges, printer cylinders, etc. The Supplier guarantees for the environment - friendly disposal. If the Company releases the Supplier from his duty for taking back the packaging material and containers pass on to the property of the Company without claim for payment. If delivery takes place in rented containers the Supplier hasn't got a claim for extra reimbursement of the rental fee, unless otherwise agreed.

5. IMPLEMENTATION OF CONTRACT, COMPLIANCE WITH REGULATIONS

The Supplier is obliged to mind the relevant legal and governmental regulations and constraints at fulfillment of the contract.

Delivery and provision of services have to meet the maintenance of industrial health- and safety standards, security regulations, prevention of accidents regulations, standards and DIN-standards, VDE and other relevant standards. Safety guards required by these standards have to be provided by the Supplier within the agreed price. If the Supplier has any objections regarding the implementation requested by the Company he has to indicate this immediately to him in writing. All documents necessary for testing and passing, operation, maintenance and repair (test protocols, works attestations, drawings, plans, operating instructions, and so on) have to be provided by the Supplier, if necessary capable of being duplicated, free of charge.

6. DELIVERY TIME

The delivery time begins with the date of receipt of the order by the Supplier. After expiry of the delivery time the Supplier is in default without the necessity for an overdue notice. In case of missed deadline the Company has the right to charge, for each completed week, a contractual penalty of 0.5% of the order value, with a maximum of 5%. The claim of further damage is not affected by this. If delays are to be expected the Supplier is obliged to indicate this informing about the reasons and the likely duration immediately and in writing.

7. RIGHT OF INFORMATION AND TESTING

The Company and his representatives have the right to inform themselves within operating hours about the implementation according to contract of the delivery, to take part in works-own tests and to perform tests. The costs for those tests prompted by the Company are to be borne by the Company, as far as the personnel and material for the performance of the tests is provided by the Company. Repeat tests because of defects detected through former tests are fully at the expense of the Supplier. The Supplier is obliged, in case of subcontract orders, to make sure that the subcontractor grants the Company the unrestricted right for information or performance of tests at the subcontractors' within the contract. The tests do not release the Supplier of his duty for warranty and liability.

8. CHANGE OF CONTRACT, SUBROGATION

The Company has the right to demand changes regarding the quality of delivery or provision of services within the technical capacity of the Supplier.

Technical changes and their effect on prices, delivery times or other conditions have to be drawn up in writing as stated in subsection 2 of these General Terms and Conditions of Purchase. The Supplier can legally concede demands against the Company only with the written consent of the Company.

9. SHIPMENT AND CUSTOMS

Two Packing Lists have to be added to the delivery. In case of delivery from a custom-wise foreign country the Supplier has to contact the Company in due time regarding the customs- and import settlement.

10. ACCEPTATION

If delivery or provision of services has taken place according to contract, or if defects have been eliminated, it will be approved.

If a trial run is intended the approval will take place after a successful trial run through a corporate approval protocol.

11. OWNERSHIP STRUCTURE

The Company acquires the unrestricted ownership of the subject of delivery or service after handover through approval. The same applies to the documents provided by the Supplier (subsection 5, 3). Through handover the Supplier declares that he has the unrestricted right of disposal and no rights of any third party exist. Material supplies of any kind remain property of the Company. They have to be clearly marked as such and have to be stored, marked and administered separately. If the supplies are being processed, altered, connected with other items or mixed the Company acquires the unrestricted ownership of the new matter. The Supplier conveys these gratuitously for the Company. Ownership and copyright of the Company which he has conceded to the Supplier remain with the Company. The documents have to be handed over on request immediately including all copies and transcriptions. The documents of the Company are only to be used according to the purpose specified in the framework of the contract. In case of contravention the Supplier is liable for the entire damage.

12. BILL AND PAYMENT

Bills are to be handed in separately twofold. Sales tax / VAT have to be displayed separately. Payment- and discount respites begin with the day after receipt of the bill and the goods by the Company. Operative for the seasonableness of payments is the receipt of the transfer order at the financial institution of the Company.

13. WARRANTY

The Company is liable according to legal regulations for defects in legal- or material ways. He guarantees for the careful and appropriate fulfilment of contract, especially the compliance with set specifications and further implementation regulations of the Company, according to the latest state-of-the-art of science and technology, as well as quality and expedience of delivery regarding material, construction and implement and the documents inherent to the delivery (drawings, plans, etc.). The set specifications are to be regarded as indentured and guaranteed features of the subject of delivery or service. The regulations of §§ 633 to 639 BGB are also to be applied to contracts of purchase and contracts of works delivery. The Company also has the right to execute his rights according to §§ 434 ff. The costs for the elimination of defects to be borne by the Supplier also include expenditures for packaging, freight and carriage, work spent for dismounting and mounting, travel expenses and performance of elimination of defects at the Company. Claims because of defects are in lapse according to legal regulations, at the earliest acc. § 438 BGB after two years. If no confirmation of approval has been issued in writing, it begins two weeks after receipt of delivery at the Company. For delivered replacement items and reworked works the Supplier is liable in the same way as for the subject of delivery. The warranty period begins with the elimination of the queried defects. For delivery parts which could not be put to use due to warranty defects the warranty period is prolonged by the works discontinuity.

14. PROTECTION RIGHTS

The Supplier guarantees that neither through implementation of contract nor through delivery and use of the subject of delivery or service any protection rights of a third party are being violated. He releases the Company of any claims of third parties through possible violations of protection rights.

15. CANCELLATION AND WITHDRAWAL

The Company has the right, regardless of any other rights of cancellation and withdrawal, to cancel or withdraw the contract, if actions from the Supplier have taken place concerning §§ 333 and 334 StGB. The Company also has the right to claim from the Supplier compensation for any damages. The Company can also withdraw from or cancel the contract, if bankruptcy proceedings have been instituted on the assets of the Supplier, or the Supplier lays off his payments not only temporarily.

16. PLACE OF PERFORMANCE AND COURT OF JURISDICTION

Place of fulfilment for the Supplier is the TTZH or another place of application named by the Company.

Court of jurisdiction is Hannover, Germany.
German law is to be applied.

Status: November 2012