

# General Terms and Conditions of Purchase

01.06.07

### 1. Offer and Conclusion of Contract

The following terms and conditions shall apply exclusively to all of our orders. Any changes of these terms and conditions only shall apply if we expressly approve their validity in writing.

Only those orders that have been placed in writing shall be binding. This also applies to subsequent changes of our order. Telephonic or verbal agreements shall require our written confirmation as far as they oblige us. This also applies to changes of the written form itself.

## 2. Scope of Delivery Obligation

The scope of the delivery obligation shall be subject to the written order confirmation.

#### 3. Prices

- a) The price quoted in the order shall be binding.
- b) As far as nothing to the contrary or nothing supplementary is arranged, payment shall be made upon receipt of the invoice and delivery within 14 days with 3% cash discount or within 30 days net upon receipt of invoice.

### 4. Time of Delivery and Delivery

- a) The time of delivery quoted in the order shall be binding.
- b) Delivery always shall be made free place of destination. All transport costs incl. packaging etc. shall be debited to the supplier's account. The risk shall not pass over to us before receipt of the goods.

#### 5. Insurances

The deliveries shall be covered by the transport insurance of Benning GmbH & Co. KG. The contractor shall waive the German SLVS (forwarding, logistics and warehouse insurance policy) towards the freight forwarder.

## 6. Defects Inspection

The supplier shall guarantee the perfect condition of the goods. Benning shall inspect the goods with regard to the quantity, visual defects and damaged packaging only. In all cases, the duty of inspection and notice of defects shall only start as soon as the goods have arrived at the customer's premises and upon receipt of the proper dispatch note. This also applies if ownership of the goods has already been passed over to the customer or the goods have been passed to the freight forwarder, freight carrier or other agents. From this moment on, the statutory duty of a notice of defects shall be prolonged by one month.

The supplier shall guarantee compliance of the supplied devices or components with the statutory requirements of the accident prevention regulation as well as with the relevant VDE regulations. This also applies if production is made according to our specifications.

# 7. Liability for Material Defects and Defects of Title

Here, the statutory claims shall apply.

# 8. Quality

The quality management system of the supplier shall comply with DIN EN ISO 9000. The supplier shall be obliged to deliver absolutely perfect goods (100% free of defects).

#### 9. Patent Infringement

The supplier shall be liable for any infringement of patents or property rights of third parties due to delivery and use of the offered goods.

### 10. Guaranteed Properties

As guaranteed properties, particularly the properties listed by the supplier in his/her offer prior to the placement of the order as well as the properties specified in data sheets, specifications and in international standards shall apply.

#### 11. Environment

The supplier shall guarantee that the materials used for the production of the goods listed in the contract comply with the new European guidelines RoHS and WEEE as well as with the EU Eco-Management and Audit Scheme (EMAS) or DIN ISO 14001.

#### 12. Retention of Title

As far as we place parts at the supplier's disposal, we shall retain title to these parts. Treatment and modification of the goods shall be carried out for us. In case of treatment or mixing, we shall gain joint ownership of the new goods in the proportion of the value of our parts to the value of the other treated parts at the time of the agreement. An extended retention of title of the supplier shall be excluded.

#### 13. Drawings

All documents, such as drawings etc. placed at the supplier's disposal for the production of the goods to be supplied as well as drawings etc. provided by the supplier according to the buyer's specifications may not be used, duplicated or entrusted to third parties by the supplier for other purposes. They must be returned to us immediately on demand including all copies and duplicates. If delivery is not made, the supplier must return them to the buyer without request. The supplier must consider the order and the concerned working as a trade secret and therefore shall treat them confidentially. The supplier shall be liable for all damages arising for the buyer from breach of these obligations.

## 14. Advertising material

Unless expressly authorised by us, the supplier must not refer to our existing business relation in advertising material produced by means of printing or other methods of duplication.

# 15. Transport, Passing of Risk

Deliveries shall be made at the supplier's expense and free of charge to the dispatch address indicated overleaf.

The risk shall only pass over to the buyer with acceptance of the goods at the dispatch address – in case of delivery including installation with takeover of the goods in the buyer's company.

#### 16. Place of Performance and Jurisdiction

This contract is subject to German law excluding the regulations of the UN Convention on Contracts for the International Sale of Goods. The place of performance for all deliveries and services resulting from the contract – even for those resulting from cheques or bills of exchange – are our company headquarters.

Place of jurisdiction for any disputes arising from the contractual relationship shall be a competent court of our company's headquarters, as far as the parties to the contract are traders, legal entities of public law or separate assets of public law.

We shall be entitled though to filling of an action at any court of competent jurisdiction of our choice.