

General Terms and Conditions of Purchase of Reineke Meß- und Regeltechnik GmbH

§ 1 General – Scope of Application

(1) Our General Terms and Conditions of Purchase, as amended, shall apply exclusively; we shall not acknowledge any Terms and Conditions of the supplier which are conflicting or deviating from our Terms and Conditions of Purchase, unless we have expressly and in writing consented to their application. Our Terms and Conditions of purchase shall apply also in the event that we, upon knowledge of terms of the supplier which are conflicting or deviating from our Terms and Conditions of Purchase, accept the supplier's delivery without reservation. Deviations, collateral agreements and subsequent amendments shall only be binding on us if they have been confirmed by us in writing. This shall also apply to a rescission of the clause stipulating the written form.

(2) All agreements made between us and the supplier with regard to the execution of this agreement shall be laid down in writing in this agreement.

(3) Our Terms and Conditions of Purchase shall apply only vis-à-vis merchants.

(4) Our Terms and Conditions of purchase shall also apply to all future business with the supplier.

§ 2 Quotation – quotation documents

(1) The supplier shall be obliged to accept our order within a period of 2 weeks.

(2) We reserve title to and copyrights of illustrations, drawings, calculations and other documents; they may not be disclosed to third parties without our express written consent. They shall be used exclusively for manufacture based on our order; after the order has been processed, they have to be returned to us without a reminder from us and free of costs. They shall be kept secret from third parties.

§ 3 Prices – Terms of Payment

(1) The price stated in the order shall be binding. Unless agreed in writing otherwise, the price shall include delivery "free buyer's address" including packing. Return of the packaging is subject to a special agreement.

(2) Unless expressly stated otherwise in the order, prices shall be plus the turnover tax applicable at the time of delivery.

(3) We can only process invoices which, in accordance with the conditions laid down in our order, include the order number stated in the order; the supplier shall be responsible for all consequences resulting from non-adherence to this obligation.

(4) Unless otherwise agreed in writing, we shall pay the purchase price within 14 days as of delivery and receipt of invoice with a discount of 2%, or within 30 days after receipt of invoice. If the invoice is received later than the goods, the date of receipt of the invoice shall be decisive for an adherence to the discount period. Receivables from us, also future receivables, shall not be assignable.

(5) We shall be entitled to rights of set-off and retention within the scope laid down by law.

§ 4 Delivery time

(1) The delivery time stated in the order shall be binding.

(2) The supplier shall be obliged to notify us in writing without delay if circumstances occur or if the supplier discerns circumstances from which it can be gathered that it will not be possible to adhere to the stipulated delivery time.

(3) In the event of a delay in delivery we shall be entitled to the claims laid down by law. After a reasonable period of grace has expired without results, we shall be in particular entitled to demand damages in lieu of performance and to rescind the contract.

§ 5 Passing of Risk – Documents

(1) Unless otherwise agreed in writing, the delivery has to be effected "free buyer's address".

(2) The supplier shall be obliged to state our exact order number on all shipping documents and delivery notes; should the supplier fail to do so, delays in processing will be unavoidable, for which delays we cannot be held responsible.

§ 6 Examination for Defects – Claims/Rights

(1) We shall be obliged to examine the goods within a reasonable period for any deviations from quality or quantity; the respective notice shall be deemed to be given in due time if it is received by the supplier within a period of 3 working days.

(2) We shall be entitled to the statutory claims based on defects, without reductions; independent from this, we shall be entitled on principle to require at our discretion our supplier to remove the defect or to deliver substitute goods. In this case, the supplier shall be obliged to bear all expenses required for a remedy of defects or a substitute delivery. We expressly reserve the right to claim damages, in particular the right to claim damages in lieu of performance.

(3) The warranty period shall be 36 months as of passing of risk. Upon subsequent delivery as defined by § 439 BGB (German Civil Code), the limitation period begins to run again. In the event of subsequent improvement as defined by the above-mentioned regulation, the limitation period begins to run again in any case, provided it is a matter of the same defect or of the consequences of a defective subsequent improvement.

(4) Our consent to drawings, calculations and other technical documents shall not affect the warranty and guarantee obligations of the supplier with regard to the subject of delivery.

§ 7 Product Liability – Indemnity – Third Party Liability Insurance

(1) Insofar as the supplier is responsible for damage caused by a defective product, it shall be obliged to indemnify us at our first request against claims asserted by a third party, if the cause lies within the scope of its control and/or organization, and if the supplier itself is liable vis-à-vis third parties.

(2) In this context, the supplier shall also be obliged to reimburse any expenses in accordance with §§ 683, 670 BGB (German Civil Code) resulting from a recall campaign carried out by us, to the extent that the claim does not ensue from §§ 830, 840 BGB in conjunction with §§ 426, 254 BGB. To the extent possible and to be expected from us, we shall inform the supplier about the content and scope of the recall measures to be taken by us, and give the supplier the opportunity to make its comments.

(3) The supplier shall undertake to maintain a product liability insurance with an insured sum of € 10 million per bodily injury/damage to property, as a lump sum; should we be entitled to further claims to damages, these claims shall remain unaffected.

§ 8 Industrial Property Rights

- (1) The supplier shall guarantee that no third party rights within the Federal Republic of Germany are infringed in connection with the supplier's delivery, unless the supplier provides proof that it is not responsible for the breach of duty.
- (2) Should for this reason a third party assert claims against us, the supplier shall be obliged to indemnify us against these claims at our first written request; without the supplier's consent, we shall not be entitled to come to any agreements with such third party, in particular to effect a settlement.
- (3) The obligation of the supplier to indemnify us shall apply to all expenses necessarily incurred by us from or in connection with the assertion of claims against us by a third party.

§ 9 Reservation of Title – Provision – Tools – Secrecy

- (1) To the extent that we provide the supplier with parts, we reserve title thereto. Processing or remodelling by the supplier shall be performed on our behalf. If our conditional goods are processed together with other items which do not belong to us, we shall acquire co-ownership of the new item in the proportion of the value of our item to the other processed items at the time of processing.
- (2) If the item provided by us is mixed with other items not belonging to us in a way that they cannot be separated any more, we shall acquire co-ownership of the new item in the proportion of the value of the conditional item to the other mixed items at the time of mixing. If mixing is done in a way that the item of the supplier has to be considered the main item, it shall be deemed agreed that the supplier transfers to us proportionate co-ownership; the supplier shall keep in safe custody for us the sole property or the jointly held property.
- (3) We shall reserve title to tools; the supplier shall be obliged to use the tools exclusively for the production of the goods ordered by us. The supplier shall be obliged to take out insurance at its own expense for the tools belonging to us at their replacement value against fire, water and theft. Should maintenance and inspection work be required, the supplier shall perform such work in good time at its own expense. The supplier shall notify us without delay of any incidents; should the supplier culpably fail to do so, claims to damages shall remain unaffected.
- (4) The supplier shall be obliged to treat as strictly secret all illustrations, drawings, calculations and other documents received. They may only be disclosed to third parties with our express consent. The duty to observe secrecy shall apply also after termination of this contract; it shall expire if and insofar as the production knowledge contained in the illustrations, drawings, calculations and other documents made available has become common knowledge.

§ 10 Place of Performance – Venue – Applicable Law

- (1) If the supplier is a merchant, venue for all disputes shall be our place of business; however, we shall also be entitled to bring an action against the supplier in the court at its domicile.
- (2) Unless otherwise stated in the order confirmation, our place of business shall be place of performance.
- (3) Supplementary to these Terms and Conditions the law of the Federal Republic of Germany shall apply to the exclusion of the rules laid down by private international law and the UN Sale Convention.

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