

General Terms and Conditions of Purchase

Janitza electronics GmbH

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1. Scope of application

These Terms and Conditions of Purchase shall apply exclusively in relation to all (including all future) purchases of goods and services from the Supplier; if the Supplier's General Terms and Conditions of Purchase conflict with or differ from the terms set out below, we shall only recognize such General Terms and Conditions of Purchase if they have been expressly approved by us in writing. Our Terms and Conditions of Purchase shall also apply where we accept or pay for goods and services of the Supplier (hereinafter: goods) knowing that the Supplier's conditions conflict with or differ from our Terms and Conditions of Purchase.

2. Conclusion of Contract

Agreements, orders and call off deliveries, as well as other modifications and additions, must be made in text form. An order shall be deemed to be accepted except where the Supplier notifies us to the contrary within six (6) working days of the order date.

3. Prices

The prices quoted are fixed and shall be DDP delivery address (INCOTERMS 2010) including packaging, but excluding the sales tax applicable in each case.

4. Payment, Rights of Set Off and Retention.

Payments shall be effected as follows: 30 days net without deduction on receipt of a complete, correct and verifiable invoice but not before receipt of the entire delivery. Payments remitted within 10 days shall be subject to 3% discount.

We shall not be deemed in default of payment except where payment is due and a reminder has been sent by the Supplier. The rate of interest for late payment shall without exception be in accordance with the statutory interest rate for commercial transactions as provided for in the German Commercial Code.

We shall be entitled to exercise rights of set off and retention to the extent provided by law.

5. Place of Performance, Supplies, Packing

Supplies are to be delivered DDP delivery address (INCOTERMS 2010). The Supplier shall be liable for the material risk until acceptance of the goods by us or our agent at the agreed place for delivery of the goods. The quantities, weight and dimensions of the delivered goods determined during the incoming goods inspection shall be definitive unless otherwise proven.

Partial deliveries are not permitted unless we have expressly agreed to the same. The Supplier shall be entitled to use the services of sub-contractors provided that we have previously consented thereto in writing.

Where the Supplier is under obligation to erect or assemble the goods, he shall be responsible for all costs associated therewith.

The Supplier undertakes to use environmentally friendly packaging that can be recycled or disposed of at low cost. Packaging must guarantee protection against damage, dirt and dampness during transport and storage in order that assembly or processing at our premises or the premises of one of our agent companies is possible at no further cost. Any important information on contents, storage and transport must be visibly affixed to the packaging. Loaned packaging shall be returned carriage unpaid to the Supplier's address.

6. Delivery Dates

Where the Supplier fails to deliver on the agreed delivery date the statutory provisions shall apply. Where the Supplier becomes aware that compliance with the agreed delivery date or any other deadline will not be possible the Supplier must notify us accordingly without delay.

The Supplier shall only be permitted to rely on the absence of requisite information or our failure to supply documents where he has failed to receive the same despite having set a reasonable deadline in writing.

Unconditional acceptance of a late delivery or service does not constitute a waiver of the claims to which we are entitled as a result of late delivery or service; this shall apply until we have remitted the sums owing in full.

7. Retention of Title

Title to the goods shall pass to us upon payment of the purchase price in full. Notwithstanding the aforesaid we shall be entitled to process the goods or resell the same prior to full remittance of payment. Extended reservations of proprietary rights are subject to our express prior consent in text form.

8. Waste Disposal, Prohibited Substances

The Supplier guarantees compliance with all applicable laws concerning packing materials and the return and disposal of the goods, in particular the provisions of the current packaging regulations and the laws governing the sale, return and environmentally sound disposal of electrical and electronic equipment (ElektroG).

In addition the Supplier guarantees that the goods are RoHS compliant in accordance with the RoHS Directive 2011/65 dated 3rd January 2013

9. Force Majeure

Force majeure and events beyond our control shall entitle us, without prejudice to our other rights, to withdraw from the contract either fully or in part, where we have no further commercial interest in performance as a result.

10. Non Disclosure / Data Protection

During the term and after termination of this contract the Supplier shall not disclose to third parties or use for its own business aims without authorisation any confidential information (to include without limitation documents, samples, sketches, business intentions, personal data, problems, data and/or problem solutions, or any other know-how of any kind) received from us. The Supplier shall also impose this obligation upon its employees.

The duty of non-disclosure shall not apply to information which was previously known to the other party outside the contractual relationship, was lawfully acquired from a third party, is generally known or is or becomes the state of technology or has been released by us.

Upon the expiration of this agreement the parties shall return all confidential documents and information unrequested or destroy the same where requested to do so by the disclosing party and provide evidence thereof. All software and presentation versions provided to the Supplier for internal use shall be uninstalled by the Supplier unrequested and without delay.

The Supplier shall comply with all data protection requirements, including where access is given to our plant, or our hard and software. He shall ensure that their vicarious agents shall also comply with these provisions and that they are bound not to disclose any data prior to the commencement of their work.

11. Insurance

During the term of the contract, including during guarantee and limitation periods for warranty claims the Supplier shall take out and maintain sufficient product liability insurance under terms which are customary in the industry with a minimum insured sum of 2 million Euro per claim.

12. Quality Assurance, Incoming Goods Inspection

The Supplier undertakes to maintain a system of quality management which corresponds to the most recent technical standards. The Supplier shall carry out tests during manufacture in accordance with the requirements of his system of quality management unless it becomes apparent that particular testing necessary at a preliminary stage is required. In such circumstances we shall draw up the criteria for such testing.

The Supplier shall carry out final testing of the products which shall ensure that only non faulty goods are supplied.

Acceptance of the goods or service is subject to an examination thereof as to the absence of faults insofar as and as soon as such an examination is feasible in the ordinary and proper course of business. Such examination shall include the type and quantity of the products supplied as well as any external damage thereto. Furthermore any incoming goods inspection is replaced by the quality assurance measures undertaken by the Supplier in accordance with the provisions aforesaid. The Supplier waives the defence of late notification of defects provided for in § 377 of the German Commercial Code (HGB)

13. Defective Goods

The statutory regulations on material defects and deficiencies in title shall apply without restriction, unless otherwise provided below.

Claims for material defects and deficiencies in title shall be time barred after 36 months.

Any goods repaired or replaced during the warranty period shall benefit from a new full warranty period upon the terms set out herein and such new warranty period shall commence upon complete performance by the Supplier of our warranty claim.

The Supplier shall be liable for all costs accruing to us as a result of the delivery of the defective goods, in particular transport, travel, work, material costs and investigation costs in excess of those normally incurred.

Where goods manufactured or sold by us are returned due to a defect in the goods supplied by the Supplier or where our sales price is reduced or we are held liable for the same reason, we reserve all rights of recourse against the Supplier.

In the event of recourse we shall be entitled to demand compensation from the Supplier for the expenditure accruing to us in relation to our customers on account of the defective goods or service.

Where we rescind the contract we shall be entitled to use the goods and services supplied free of charge until a suitable replacement has been acquired. The Supplier shall bear all rescission related costs and shall be responsible for the disposal of the goods.

14. Product Liability

In the event that a claim is made against us on the basis of product liability, the Supplier shall be required to indemnify us for such claims upon first demand where and insofar as the loss was caused by a defect in the goods delivered by the Supplier and, in cases of fault based liability, where the fault is attributable to the Supplier.

If the Supplier is responsible for the cause of the damage, the burden of proof shall rest with the Supplier.

The Supplier shall be liable for all costs and expenses, including the costs of any legal prosecution or recall action. Otherwise the statutory regulations shall apply.

15. Industrial Property Rights, Indemnity

Where we provide the Supplier with plans, documents, sketches or other information which is capable of protection to facilitate performance of Supplier's obligations, the Supplier is granted a simple limited licence to use the same for internal purposes only. Such licence is limited to the term of performance and can be revoked at any time. It does not include a licence to reproduce, disseminate or process the aforesaid nor to make the same publically available. The Supplier is not permitted to use information which is capable of protection for the execution of orders of other customers.

If as a result of our collaboration products are developed which are capable of industrial property right protection the parties shall reach a separate agreement as to the registration and use of such property rights which shall reasonably reflect the contribution made by each party to the development works. Subject to the aforesaid we shall acquire in any event a simple, gratuitous, perpetual unlimited right to use the subject matter of the property rights worldwide.

The Supplier guarantees that the use of the goods and services by ourselves or our customers does not infringe any third party property rights including where the goods are intended to be used abroad.

The Supplier shall indemnify us against all third party claims based on violation of third party rights and shall reimburse us any costs and expenditure incurred in connection with the defence of such claims.

16. Spare Parts

The Supplier guarantees that we and our customers shall be supplied with replacement demand or spare parts for the goods upon reasonable terms for a period of 10 years after delivery.

17. Tools/Drawings

We retain title to any materials, devices or tools provided by us for the manufacture of the goods. Where such materials, devices or tools are acquired or manufactured by the Supplier on our behalf, we shall obtain title thereto upon payment of the agreed price.

The Supplier shall be responsible for the proper maintenance and insurance of the materials, devices and tools. Unless otherwise agreed by the parties the costs of maintenance and insurance are included in the agreed product price.

We shall be entitled to demand at any time the surrender of our proprietary goods. The Supplier waives any rights of retention in relation thereto.

The Supplier is not authorized to use the materials, devices, or tools of the execution of orders of other customers.

18. Acceptance

Where the Supplier has undertaken to execute certain works, to include without limitation erection works, the acceptance of such works shall be governed by the statutory provisions set out in § 640 of the German Civil Code (BGB).

19. Export Licences

The Supplier shall ensure that the goods, if used according to instructions, are suitable for export to the agreed or known destination countries. Where despite the aforesaid obstacles to delivery occur due to decisions of authorities and/or national or international regulations, including export control regulations such as embargos or other sanctions and the obstacles to delivery are caused by the goods supplied by the Supplier, the Supplier shall provide us with reasonable assistance in order to obtain the required export permit as quickly as possible. Where delivery is prevented for a period in excess of 6 months we shall be entitled to rescind the contract for the supply of the parts concerned.

20. Final Provisions

The place of performance for the Supplier's delivery obligation and the exclusive place of jurisdiction shall be our registered office; in the event that we sue the Supplier we shall institute proceedings before the courts situated at the Supplier's general place jurisdiction.

All legal relations between the Supplier and ourselves shall be governed by the laws of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).