

General Purchasing Conditions
Ziemann Holvrieka GmbH
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1 General

- 1.1 These purchasing conditions shall form the basis for all Ziemann Holvrieka orders and contracts, unless otherwise agreed upon in writing. Conflicting delivery conditions shall only be valid if explicitly approved by us. The acceptance of deliveries or services or the fact that payments have been made do not signify approval.

2 Offers

- 2.1 Offers and the establishment of further supplier documentation during the offer phase shall be free of charge for Ziemann Holvrieka and do not give rise to any obligations on the part of Ziemann Holvrieka.
- 2.2 If Ziemann Holvrieka should make drawings or other documentation available to the supplier for the purposes of working out offers, these must be returned when the offer is submitted. Under no circumstances may such documents be forwarded to third parties without our permission.

3 Order and Confirmation of Order

- 3.1 Ziemann Holvrieka may revoke the order if the supplier has not accepted it in writing within 2 weeks after receipt thereof (return of the signed order copy / confirmation of order).
- 3.2 If the confirmation should deviate from the order, Ziemann Holvrieka will only be bound if Ziemann Holvrieka has agreed to the deviation in writing.
- 3.3 Any amendments or additions will only be valid if they have been confirmed in writing by Ziemann Holvrieka.

4 Quality / Environment

- 4.1 The delivery and service must be in accordance with the specifications agreed upon.
- 4.2 When manufacturing the products, the supplier agrees to adhere to current environmental policies and the regulations, guidelines and recommendations resulting from such policies.
- 4.3 The supplier shall constantly adjust the quality of his products to the latest state of technology and science, as well as pointing out any possible options for improvements and technical amendments to Ziemann Holvrieka.

5 Standards and Regulations

- 5.1 All deliveries and services must be in accordance with the most recent DIN and/or VDE standards as well as with the other standards or EU guidelines common in the industry in question, unless explicitly otherwise agreed upon in writing.
- 5.2 In the event of deliveries and services rendered to clients abroad, the supplier shall also adhere to the relevant standards, guidelines and regulations of the country in question, and shall acquire any permits and compile any documentation that may be required at his own cost.

6 Price

- 6.1 The prices given on the order are fixed prices, which may not be revised as a result of any cost changes.
- 6.2 Any sales tax due shall be reimbursed at the legally prescribed rate.

7 Delivery Conditions / Trade Clauses

- 7.1 All deliveries must take place "free to destination" (DDP according to Incoterms), in as far as nothing to the contrary has been explicitly agreed upon. The version of the Incoterms valid at the time of placing the order shall apply to the interpretation of the trade clauses.
- 7.2 The supplier shall be liable both for damage caused by inappropriate packaging and for damage during transport and intermediate storage.

8 Delivery Addresses

- 8.1 If not otherwise agreed upon in writing or evident from the terms of the order, any deliveries must be made "free to door" (DDP according to Incoterms) to the physical address to Ziemann Holvrieka.

9 Lead Times for Deliveries/Services, Contractual Non-Delivery Penalty

- 9.1 The date of a delivery or supplementary delivery shall be deemed to be the date of receipt by the receiving centre indicated by Ziemann Holvrieka, whereas the date of rendering a service involving installation or assembly shall be deemed to be the date of acceptance.
- 9.2 If it should become clear that a delivery or service / supplementary delivery should be delayed, Ziemann Holvrieka must immediately be informed and a decision taken.
- 9.3 If the lead times agreed upon should be exceeded for reasons for which the supplier can be held liable, Ziemann Holvrieka shall be entitled to charge a penalty of 1,0 % for each week of delay or part thereof, up to a maximum of 5,0 % of the total contract price. If this proviso should not be invoked when accepting the delivery, service or supplementary service, the contractual penalty may still be charged at any time before the final payment.

10 Transfer of Risk, Place of Performance

- 10.1 In the case of deliveries that involve installation or assembly, as well as in the case of services, the risk will be transferred to the receiving centre specified by Ziemann Holvrieka upon acceptance, whereas in the case of deliveries not involving installation or assembly, the risk will be transferred upon receipt by Ziemann Holvrieka.

11 Dispatch Documentation

- 11.1 Each delivery must be accompanied by delivery notes and packing slips, stating the content and the full order reference. Dispatch must be notified immediately, stating the same information. In the case of direct deliveries, this must be done timely before delivery takes place.
- 11.2 The products ordered must adhere to the EU country of origin conditions; the corresponding certificates / statements of origin must accompany the products, without the supplier being specially requested to do this (long-term statements to be received by 31 January at the latest).
- 11.3 In the case of deliveries abroad or within the European Union, export or shipment documentation shall form part of the dispatch documentation.
- 11.4 If one of the aforementioned documents should be missing, or if a country-specific regulation / documentation should be disregarded, the delivery shall be deemed to be incomplete.
- 11.5 Additional costs incurred due to failure to adhere to any dispatch regulations or faulty dispatch documentation shall be for the account of the supplier, as will any additional costs incurred due to accelerated transport required for adherence to a delivery deadline.

12 Documentation of Deliveries and Services

- 12.1 In addition to the documentation prescribed by the authorities and by law, the supplier's delivery and service scope shall also include any documentation mentioned in Ziemann Holvrieka's order documentation.
- 12.2 The supplier agrees to make all documentation required for the utilization, assembly, maintenance and repair of the object delivered or service rendered, such as operating and service manuals, list of spare parts, proof of quality, etc. available free of charge.
- 12.3 In the event of deliveries abroad, fulfillment of the country-specific documentation requirements shall form part of the delivery / service scope of the supplier.

13 Export Control

- 13.1 Products that are partially or wholly subject to export restrictions must be declared and documented accordingly by the supplier. The supplier agrees to point out any current restrictions or delivery restraints when submitting his offer, and at the latest before accepting the order.

14 Receiving Tests

- 14.1 Immediately after receiving the deliveries at its physical address, Ziemann Holvrieka shall check whether the delivery corresponds to the amount and type of product ordered, whether there is any outwardly apparent transport damage or outwardly apparent defect. In the case of direct deliveries (e.g. to building sites, final customers, etc.) such an inspection shall take place as soon as possible.
- 14.2 If, during such an inspection, Ziemann Holvrieka should detect any defects, the supplier must be notified. If Ziemann Holvrieka should detect a defect at a later stage, the supplier must also be notified.
- 14.3 Any complaints shall be made immediately, taking into account the circumstances of the due business process, or after detection of the defects during processing or utilization.
- 14.4 Ziemann Holvrieka shall have no further obligation towards the supplier to conduct tests and to give notifications other than those mentioned above.

15 Quality Assurance

- 15.1 Ziemann Holvrieka shall be entitled to inspect the supplier's premises, after giving notice to this effect, as well as to carry out an audit on the basis of DIN ISO 9000 FF.
- 15.2 Ziemann Holvrieka reserves the right to inspect the object of delivery during the manufacturing process and/or before dispatch on the supplier's premises.

16 Invoices

- 16.1 Invoices must state the order references, the numbers of the various positions, as well as the name of the buyer. If such information should be missing, or if a simple inspection should not be possible for other reasons, invoices shall not be payable. Faulty invoices shall be returned to the supplier for correction and shall only be deemed valid after correction and resubmission.
- 16.2 Copies of invoices must be marked as such.
- 16.3 Invoices must always be compiled in adherence to § 14 of the UStG (Sales Tax Act).

17 Payment

17.1 If not otherwise agreed upon, payments will be due:

within 14 days, less a 3 % discount

or within 30 days, net

17.2 The payment period shall start as soon as the delivery has been fully made or the service has been fully rendered and the duly compiled invoice has been received. If the supplier is obliged to include material tests, test protocols, quality documentation, instructions or other documentary proof, full delivery or rendering of services shall also presume receipt of this documentation and the complete dispatch documentation.

Discounts may also be subtracted if Ziemann Holvrieka should offset payments or retain appropriate amounts as a result of defects; the payment period shall begin once all defects have been eliminated.

17.3 Ziemann Holvrieka shall only be deemed to be in arrears if it should fail to pay, following a reminder sent by the supplier after the due date of the invoice.

The fact that a payment is made does not mean that the deliveries or services rendered have been acknowledged as being in accordance with the contract.

18 Liability for Defects

18.1 The supplier shall offer a two-year warranty for his deliveries and services, in as far as the law does not make provision for longer periods. The warranty period shall begin with the transfer of risk (No. 10).

In the case of deliveries to sites at which Ziemann Holvrieka is carrying out work outside its own premises, the warranty period shall begin on the date of acceptance by Ziemann Holvrieka's client.

18.2 If defects should be detected before or during the transfer of risk or during the period mentioned in Paragraph 1, the supplier shall either eliminate the defects or deliver a new product or service free from defects at his own cost, as may be decided by Ziemann Holvrieka. This shall also apply to deliveries in which testing has been limited to random samples. Ziemann Holvrieka shall make its choice at its fair discretion.

18.3 If the supplier should fail to fulfill his obligations within an appropriate period as requested by Ziemann Holvrieka, Ziemann Holvrieka shall be entitled:

to withdraw from the order, either partially or wholly, without paying compensation.

or to request a price reduction

or to proceed with rework or a new delivery at the cost of the supplier

or to demand compensation for damages instead of the service

§ 281, Point 2 and § 323, Point 2 of the BGB (German Civil Code) shall not be affected.

18.4 Rework may be carried out without a deadline and at the cost of the supplier if the delivery or service should be late.

18.5 The same applies if Ziemann Holvrieka should have a special interest in immediate rework to avoid being late or for another urgent reason.

- 18.6 The aforementioned claims shall expire 1 year after notification of a defect has been given, but not before expiry of the limitation period mentioned in Paragraph 18.1.
- 18.7 Any additional or other legal claims shall not be affected.
- 18.8 If the supplier should redeliver or carry out rework within the framework of a supplementary delivery, the period for the scope of the supplementary delivery mentioned in Paragraph 18.1 shall start anew.
- 18.9 The supplier shall bear the cost and risk of returning defective goods.

19 Industrial Property Rights

- 19.1 The supplier must guarantee and ensure that all deliveries and services are free from industrial property rights held by third parties, and especially that no patents, licenses or other industrial property rights held by third parties are infringed upon as a result of the delivery and utilization of the delivered goods.
- 19.2 The supplier shall indemnify Ziemann Holvrieka and its clients against any claims by third parties that may arise from any breach of industrial property rights and shall bear all costs incurred by Ziemann Holvrieka in this regard.
- 19.3 Ziemann Holvrieka shall be entitled to obtain a permit for the utilization of the goods delivered and services rendered from the holders of the industrial property rights at the cost of the supplier.

20 Software Utilization

- 20.1 The supplier shall grant Ziemann Holvrieka the non-exclusive, transferable, worldwide and permanent right to utilize software and the associated documentation or to have it utilized as well as to copy the software for installation on hardware.
- 20.2 Ziemann Holvrieka shall be entitled to make copies for the purposes of safeguarding data.
- 20.3 In addition, Ziemann Holvrieka shall be entitled to permit the final customer to transfer the software licenses.
- 20.4 Technical or technological functions of which the supplier may become aware through cooperation with Ziemann Holvrieka may not be passed on to third parties or used for other projects without prior written permission. In the event of an infringement, Ziemann Holvrieka shall be entitled to demand compensation.

21 Provision of Materials, Retention of Title

- 21.1 Any materials provided shall remain the property of Ziemann Holvrieka and must be separately stored, labeled and administrated without charge. Their utilization is only permitted for the purposes of Ziemann Holvrieka orders. In the event of a reduction in value or loss, the supplier shall replace them. This shall also apply to the calculated surrender of order-specific materials.
- 21.2 Any processing or conversion of the materials shall be on behalf of the customer, who shall immediately become the owner of the new or converted goods.
- 21.3 We do not recognize any extended or expanded retention of title. Agreement on such retention of title shall require our explicit approval in writing.

22 Subcontracting to Third Parties

- 22.1 If significant parts of an order should be subcontracted, this shall require the explicit, written approval of Ziemann Holvrieka. Non-adherence to this condition shall entitle Ziemann Holvrieka to withdraw from the contract, either partially or wholly, as well as to demand compensation for damages. Excepted from this provision are services in respect of which Ziemann Holvrieka has issued general approval.

23 Documentation, Tools

- 23.1 Any plans, tender documentation, drawings, calculations, printed matter, tools, samples etc. that have been provided by Ziemann Holvrieka, as well as the goods produced in accordance with them, may not be passed on to third parties or used for a purpose other than the contract in question without the written permission of Ziemann Holvrieka. They must be safeguarded against unauthorized inspection or utilization. Unless other rights apply, Ziemann Holvrieka may demand their return if the supplier should fail to fulfill this obligation.

24 Confidentiality

- 24.1 Any information obtained from Ziemann Holvrieka, its partners and clients must be kept confidential by the supplier, unless it is generally known or has become known to him in any other legal manner, and may not be made available to third parties. In as far as Ziemann Holvrieka has agreed to the appointment of third party subcontractors, such subcontractors must be obliged to sign a confidentiality agreement.

25 Duty to Furnish Information

- 25.1 If, as a result of his cooperation with Ziemann Holvrieka, the supplier should obtain any information from clients or other sources that could be of importance to Ziemann Holvrieka's business activities, the supplier agrees to pass such information on to Ziemann Holvrieka without delay.

26 References

- 26.1 The supplier undertakes not to include any deliveries and services rendered to Ziemann Holvrieka in catalogues, media or other advertising and sales documentation, unless Ziemann Holvrieka has granted written permission in this regard.

27 Final Clauses

- 27.1 As soon as the supplier should suspend payments, or if a provisional insolvency administrator has been appointed, or if insolvency proceedings should be instituted, Ziemann Holvrieka shall be entitled to withdraw from the contract, either wholly or partially.
- 27.2 Only the laws of the Federal Republic of Germany, excluding the UN Purchasing Law Agreement, shall apply.
- 27.3 If individual clauses of these Purchasing Conditions should not be legally valid, the validity of the other clauses shall not be affected.
- 27.4 The place of jurisdiction shall be the court responsible for Ziemann Holvrieka's domicile. Ziemann Holvrieka shall, however, also be entitled to institute proceedings in the supplier's domicile.