General Terms and Conditions of Purchase and General Conditions for the Delivery of Services and Work imtech GmbH & Co. KG

Status: October 2009

§ 1 Scope of application

1. These General Terms and Conditions of Purchase, complementary to other contract agreements, shall apply to all commercial transaction between imtech GmbH & Co. KG, hereinafter imtech, and the Supplier.

imtech does not accept other conditions unless imtech has expressly agreed to their validity in writing.

These General Terms and Conditions also apply if imtech accepts the delivery or service in spite of deviant conditions.

2. These General Terms and Conditions also apply to all future business without further involvement. They shall apply until imtech adopts new general terms and conditions.

§ 2 Offering

- 1. Offers and samples are free of charge for imtech. Deviations from the request should be clearly indicated in the offer. The Supplier is bound to their offer for a minimum period of one month.
- **2.** The documents from imtech are to be sent back immediately and without charge if they are not needed any more for the enforcement of the Agreement.
- 3. The Supplier shall confirm the order in writing. imtech shall be entitled to cancel the order until the receipt of the order confirmation. Confirmed prices are deemed as fixed prices. Delivery schedules shall become binding if they are not rejected by the Supplier within one week of receipt. Blanket orders authorize only for procurement of primary material to the extent necessary. The manufacture of parts for call orders will be permitted only after receipt of the call.
- **4.** imtech may request contract modifications prior to execution of the order. The changes are to be settled by mutual agreement. Objections to the changes demanded by imtech are to be notified immediately to imtech.

If no agreement is reached, imtech is entitled to withdraw, in that case, the Supplier shall receive a reasonable reimbursement of expenses.

The Supplier is not entitled to change the order without the prior written consent of imtech.

§ 3 Payment

1. Delivery shall be made in accordance with clause DDP (Delivered Duty Paid) INCOTERMS 2000. A price identified in the order applies as a maximum price. The price may become lower but not higher.

The Supplier shall not charge imtech higher prices and shall not provide worse terms than to other comparable customers. VAT is to be indicated separately. The costs of packaging are included in the price.

2. Invoices shall be submitted separately for each order in two copies, and under identification of original and copy.

In this case, the order number of imtech and, if known, the buyer or department as well as the intended application should be stated.

3. Unless otherwise agreed, the payments by imtech in Euro are executed as free domestic payment of the supplier

Payment shall be made within 30 days of invoice date, if the goods are received in full and free of defects or pro-

vided service is free of defects. For allowed partial deliveries this applies accordingly.

Delays due to faulty calculations do not affect the agreed discount periods.

In case of discount agreement, the payment shall be made according to this Agreement, but with a minimum of 3% less if paid within 14 days.

The time lapse starts from the date of defect-free delivery, defect-free performance, date of acceptance or due date of the invoice, whichever is the later shall prevail.

The payment shall be made subject to audit as well as the proper performance of the contract.

- **4.** In case of slight negligence imtech shall delay in payment. Liability of imtech for damages caused by default is limited to the typically occurring damages.
- **5.** If advance payments are agreed, the supplier shall provide a permanent performance guarantee from a German bank or insurance concurrently with performance and to the amount of the advance payment. If delivery is delayed, default interest rate of 8 percentage points above the base lending rate will be reduced from the prepayment amount pursuant to § 247 German Civil Code from the bill. The supplier is at liberty to prove a lower damage.

The recovery of default damages by imtech is not affected by these arrangements.

- **6.** If the solvency of the supplier deteriorates to an extent that it is endangering the performance of the contract or where a supplier suspends their deliveries or where a bankruptcy proceedings against their property is opened, imtech is entitled to withdraw. Even a partial exercise of the right of withdrawal is possible.
- 7. The supplier is not entitled to assign claims from imtech to third parties or have them collected by third parties without the consent of imtech. If the goods delivered to imtech are under extended reservation of title, the approval is deemed granted. If the Supplier cedes claims against imtech without the consent of imtech to a third party, imtech can with discharging effect payment on both the supplier and to the third party
- 8. imtech is entitled to the right to withhold performance, set-off and right of retention in the extent of the law. The supplier is entitled to the set-off or reservation rights only if the counter-claim on which the right to refuse performance, set-off right or the retention right is based, is undisputed or legally adopted.

§ 4 Inspection and complaint obligation

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Deliveries are to be examined by imtech for obvious defects. A claim is considered timely if made within 10 working days from the discovery of defect. The supplier waives the objection of late notice of defect. In the case of transit business, account should be taken of the complaint of the customer.

In the case of a justified complaint imtech reserves the right to charge the supplier with the the investigation and complaint costs. The supplier bears the cost and risk of returning the defective items delivered.

§ 5 Non-disclosure

1. The Supplier undertakes to treat as confidential all aspects of the business relationship. In particular, the Supplier shall treat as trade secret all non-public commercial and technical details that might be available to him

imtech GmbH & Co. KG, Auf Stocken 18, 78073 Bad Dürrheim, Telephone: 07726 – 9389-0, Telefax: 07726 – 9389-18, Telefax:

E-Mail: info@imtech-drehteile.eu, Internet: www.imtech-drehteile.eu

Bank connection:

Bank connection:

Sparkasse Villingen-Schwenningen

Deutsche Bank Villingen-Schwenningen

Deutsche Bank Villingen-Schwenningen

District court Freiburg - HRA 602819 Tax number: DE 814601943 Bank code number: 694 500 65; Account number: 102 450 count number: 128 - 165

IBAN: DE16 6945 0065 0000 1024 50

SWIFT/BIC-Code: SOLADES1VSS

SWIFT/BIC-Code: SOLADES1VSS

IBAN: DE48 6947 0024 0012 8165 00 SWIFT/BIC-Code: DEUTDEDB694

imtech Verwaltungs GmbH District court Freiburg - HRB 603062 through the business. Supplier's obligations of confidentiality shall not apply to any information or aspects of the business relationship that were already publicly known at the time of disclosure, as well as any information or aspects of the business relationship that were known to the supplier prior to receipt of the information from imtech.

The documents and information from imtech may only be made available to persons who carry out the order made by imtech. The supplier ensures that its employees respect the legitimate interests of non-disclosure of imtech.

2. The Supplier is also bound to non-disclosure after the end of the business relationship

All items handed over by imtech are to be given back to imtech.after the rejection or winding up of the contract

- **3.** Reproduction of the goods that were handed over to the supplier is allowed only in the context of operational requirements and copyright regulations.
- **4.** All information referring to business relations of imtech are not intended for third parties.

Even a partial disclosure of the order made by imtech to third parties may only take place upon prior written consent of imtech; the Supplier should oblige the third party in the context of a similar agreement also to maintain confidentiality.

- **5.** The Supplier may present himself with the business relationship with imtech only upon the prior written consent or products that are delivered to imtech and are not of a general specification. This refers to descriptions or depictions of such products, especially photos or drawings, media accessible to third parties, such as websites.
- **6.** Items that imtech cedes to the Supplier remain the property of imtech.

Items that are manufactured on behalf of imtech are property of imtech. These may be delivered to third parties only with prior written consent from imtech.

- **7.** An assignment of order to third parties without consent of imtech is not allowed. Such assignment would entitle imtech to withdraw and claim compensation.
- **8.** The Supplier agrees not to carry out transaction, directly or indirectly, with the customers of imtech that correspond to the subject of the order.

Products that comply with the order of imtech and are not intended for general specification, rather for a specific application, cannot be provided to third parties.

§ 6 Deliveries

1. Dates and deadlines in orders and release orders are binding. imtech is not obliged to delivery before the expiry of the delivery date.

For deliveries, the receipt of the delivery in the agreed plant by imtech or in a receiving centre or point of use determined by imtech is relevant for compliance with the deadlines and dates.

Timely and full performance of the service is crucial for services.

For work performance the moment of acceptance plays the crucial role.

Partial services are allowed only with written consent.

The supplier has to immediately report any problems to imtech that prevent them from the timely delivery of the required quantity or quality and obtain a decision on maintaining the order. They are liable for no or belated disclosure of information.

2. In the event of delivery earlier than agreed, imtech reserves the right to return it at the supplier's expense or to put into interim storage with the third party at the Supplier's expense. If in the event of early delivery there is no return or third party interim storage, the goods will be stored at imtech until the delivery date at the Supplier's risk and expense. In the event of early delivery, imtech reserves the right to execute the payment no prior to the agreed maturity date. In case of an early delivery, the

calculation of the discount period starts on the day of the agreed delivery date or the date of receipt of the invoice by imtech, whichever occurs last.

- 3. In the event of delayed delivery, imtech is entitled to legal claims. Exclusion or limitation of the Supplier's liability is excluded. In case of withdrawal, imtech may receive partial deliveries upon credit voucher. In case of repeated or persistent missed deadline by the supplier, imtech is entitled to withdraw or immediate terminate the Agreement.. In case of missed deadlines through no fault of one's own, imtech is entitled to withdraw if the missed deadline is considerable and requires the urgency of the delivery because of their own deadlines.
- **4.** If the supplier is in default, they shall be required to comply with a request from imtech for priority shipping (express or express mail, courier, express parcel, air freight, etc.) at their own expense.
- **5.** A warning or setting a deadline is not required if the delivery has been agreed as "fixed" or if the Supplier declares not to be able to deliver within the time limit.
- **6.** If the Supplier is in default, imtech is entitled to, upon issuing a warning, request a penalty equal to 10% of the net value of the goods or value of performance of each completed week, but not more than a total of 50% of the net value of the goods or the performance and to withdraw from the Agreement. imtech reserves the right to assert a claim for higher damage. The Supplier is at liberty to prove a lower damage. The penalty paid is deducted from a claim for damages. The right to demand the payment of an agreed penalty is not forfeited because the penalty was not expressly provided at acceptance of late delivery if it is claimed until the final payment..
- 7. In case of default in delivery of the Supplier, imtech is entitled to covering purchase and this to the extent that is relevant to the circumstances and in order to avoid imminent damages of default. The additional costs that result for imtech will be borne by the Supplier.
- **8.** The Supplier can only appeal to the absence of essential documents that are to be delivered by imtech if they have sent a written reminder for the documents and have not received them within a reasonable time.
- **9.** In case of delayed acceptance, imtech shall only be liable for damages caused by its own fault.
- **10.** Each shipment must be accompanied by a delivery note in duplicate, in which all the labels contained in the order, in particular order no., part no., batch no., item numbers are given.

Partial and outstanding deliveries are to be labelled separately.

The delivery note should be attached to the outside of the delivery, either under a label or wrapping paper with the comment: "here delivery note".

To imported shipments are to be attached - depending on the shipment and destination country - all necessary accompanying documents, in particular movement certificates, express vouchers, customs transit documents, certificates of origin and invoices.

11. Each delivery will be announced in advance to imtech. The announcement shall include information on the order number, quantity, size, weight, specific rules for dealing with the goods, unloading, transport and storage.

Delays, additional costs and damages caused by nonobservance of the shipping instructions shall be borne by the Supplier.

imtech reserves the right to return the package to the Supplier.

- **12.** The risk passes over only with the delivery after unloading by the supplier or the carrier at the shipping address given by imtech or acceptance of goods. This also applies when staff of imtech is helpful at unloading.
- **13.** The receipt of goods shall take place during business hours of imtech or at hours intended for receiving goods

announced by imtech.

§ 7 Force majeure

In the event of force majeure, imtech shall be exempt from the obligation to accept the goods or work performance as well as the obligation to accept the performance. This also applies to other cooperative actions in performance of a contract. If the acceptance by imtech cannot be executed in due time because of force majeure or other unforeseen obstacles or circumstances beyond the control of imtech that affect the approval of goods, the acceptance period shall be extended accordingly and there is no acceptance delay.

§ 8 Product safety

- **1.** The supplier guarantees that products, services or work performed are free of any defects.
- **2.** The supplier has to inform himself about the use of his products, services or work performed.
- **3.** The supplier has to mark his delivered goods in such a way as that they can be identified as his products.
- **4.** The supplier shall enclose to his deliveries specific test reports and material safety data sheets.

§ 9 Guarantee

1. Complaints lead to additional expenses. For this reason imtech reserves the right to charge a cancellation charge of 100.00 € per complaint.

The supplier has to prove less expenditure and imtech the right to prove that expenditure is higher.

2. imtech is entitled to either demand a supplementary performance of its choice from the supplier, to withdraw from the contract or reduce the purchase price and demand damages or compensation of wasted expenditure in accordance with the statutory provisions.

In the framework of supplementary performance, imtech is entitled to, according to its own choice, either demand rectification of the defect or delivery of goods free of defects

The supplier is obliged to bear all, and in particular transport, travel, labour and material costs for the purpose of defect rectification, replacement or removal of damage.

3. If the supplier does not rectify the defect or provide a replacement within an appropriate period of time determined by imtech or in case it is impossible to rectify the defect or if it fails, imtech is entitled to withdraw from the contract and claim damages instead of performance.

In urgent cases, especially in imminent danger or to prevent damage, imtech is entitled to have the defect removed by themselves or through third parties at the supplier's expense.

- **4.** Minor faults or defects, for which there is a risk of damage, may be eliminated by imtech at the supplier's expense, without thereby eliminating the warranty obligations of the supplier.
- **5.** If the same goods are repeatedly delivered in a faulty-condition, imtech is after a written warning on the again faulty delivery entitled to withdraw even for the unfulfilled delivery.
- **6.** The warranty rights, particularly the lack of compensation or damages from imtech become time-barred at purchase contract on the expiry of 36 months after delivery of the imtech products produced using the delivery products, but no later than on the expiry of 60 months after delivery to imtech and for service and work performance on the expiry of 60 months after acceptance of service or work performance.

This applies only if there are no planned longer or later beginning limitation periods.

If the acceptance is delayed through no fault of the supplier, the warranty period is maximum 60 months after the delivery of the goods for acceptance.

The warranty period for buildings and shortcomings of spare parts for construction is 60 months after acceptance or commissioning.

For parts that remain in operation during supplementary performance or remedying of damage or cannot otherwise be used in accordance with their purpose, the current warranty period shall be extended by the time of the interrupted operation or use.

Limitation periods mentioned above are also valid for the case that the supplier has taken over a warranty for their products, works and services.

7. Claims towards suppliers on the grounds of defects of title of the products, services or work performance are limited to a period of 10 years.

This applies only if there are no planned longer or later beginning limitation periods.

The supplier exempts imtech from claims of third persons on the basis of defects of title.

- **8.** For parts repaired or supplied within the period of limitation, the period of limitation begins to run again at the point when the supplier has provided services to rectify the defect or with the acceptance.
- **9.** If, within 6 months of passing of the risk a material defect arises, it is presumed that the defect existed at the passing of risk, unless this assumption is incompatible with the nature of the defect.
- **10.** The supplier shall hold imtech harmless from any third party compensation claims that are the result of defects of the delivery of goods or service rendered or work performed.
- **11.** In case of defects of title, the supplier shall hold imtech and the customer of imtech harmless from any third party claims
- **12.** The supplier is obliged to reimburse the expenses for and damages caused by carried out recalls and withdrawals for the purpose of avoiding personal injury or property damage, and which are the result of shortcomings in the delivery of goods or services rendered or work performed.

§ 10 Insurance protection

The supplier is obliged to maintain public and product liability insurance with coverage of at least 2 million € for personal injury on the one hand, for material and product property damage on the other, and recall insurance for motor vehicle parts and non-automotive parts, each with a minimum coverage of 1 million €

The scope of product liability insurance coverage must extend to the forms of so-called extended product liability insurance (PLI), including the insurance of persons and property because of the lack of agreed characteristics of the products according to delivery bull. 4.1 PLI (model terms of GDV - April 2006), combining, mixing and processing, products according to the delivery bull. 4.2 PLI, further processing and processing acc. Bull. 4.3 PLI, assembly and disassembly costs bull. 4.4 PLI, Committee productions by machines acc. bull. 4.5 PLI and testing and sorting costs clause acc. bull. 4.6 PLI.

Insurance coverage must also extend to damages incurred abroad.

The supplier shall agree with his insurance company the coverage innocuousness of the reprimand procedure according to § 4 of these rules and conditions.

The supplier agrees with his insurance company the coverage innocuousness of the defects liability regulation according to § 9 bull. 6 of these rules and conditions.

The supplier agrees with his insurance company the coinsurance of the hold-harmless agreement according to § 9 bull. 10 of these rules and conditions as part of their operations and product liability insurance.

The supplier agrees with his insurance company the coinsurance of the recall costs according to § 9 bull. 12 of these rules and conditions additionally to their operations and product liability insurance.

The supplier shall give imtech the confirmation of the insurer regarding the aforementioned scope of coverage (Certificate of Insurance) at the latest with the first delivery or service.

§ 11 Manufacturing equipment and materials provided

1. Production materials provided by imtech, planned or paid by imtech such as models, matrices, templates, samples, tools, shall remain or become the property of imtech

They may not be used for deliveries to third parties, reproduced, sold, assigned by way of collateral, pledged or transferred in any other way. The same applies to delivery items produced with the help of this manufacturing equipment.

The supplier is required to use the manufacturing equipment solely for the production of contractual products ordered by imtech.

- 2. If the items that are in the property of imtech are seized by a third party, the supplier is required to immediately inform imtech in writing. Even in the case of a garnishment is the supplier obliged to inform the enforcement body of the ownership structure of the property.
- **3.** The supplier is obliged to insure things that are the property of imtech to the replacement value at his own expense in a property insurance with the widest possible scope of coverage (all-risk coverage, extended coverage).

The supplier cedes the compensation claims under this insurance to imtech. imtech hereby accepts the cession.

- **4.** The supplier is obliged to carry out the required maintenance and inspections and all maintenance and repair work on the ceded items at his own expense.
- 5. In case things are supplied by imtech, imtech reserves title thereto. Contracted processing or modification by the supplier shall be made for imtech. If the goods are processed, combined or mixed with other goods not belonging to imtech, imtech will acquire joint ownership of the new object in proportion of the value of the goods subject to retention of title to the other items at the time of processing, combining or mixing. If processing, combining or mixing takes place in such manner that the item of the supplier is considered the main item, it is agreed that the supplier will assign imtech proportional share ownership. This rule shall apply even if imtech refuses to accept late

This rule shall apply even if imtech refuses to accept late or incorrect deliveries or if imtech may refrain from further orders.

In such cases items are to be supplied to imtech free of charge. Compensation is excluded.

6. Additional expenses due to material errors and dimen-

- sion deviations of the raw materials supplied may be charged to imtech only after the prior written consent to these additional expenses.
- 7. In case of cession for obvious defects such as Identity, quantity, and shipping damage, the supplier is obliged to examine the supplied items and show the defects to imtech without delay. Defects discovered during processing of ceded items are to be displayed to imtech immediately after the discovery of the defect.
- **8.** If the security interests to which imtech is entitled exceed the purchase price of all unpaid goods subject to reservation of title by more than 20%, imtech shall release on request of the supplier a proportionate part of the security interest.
- **9.** imtech does not acknowledge any expansion or extension of a reservation of title, which goes beyond the simple reservation of title of the supplier at the raw product provided by the supplier that is stored in imtech, especially after processing, or mixing with other products as well as after sale of the supplier's product,

§ 12 Electrical and Electronic Equipment Act/RoHS

- 1. Directive 2002/95/EC (RoHS) and the Electrical and Electronic Equipment Act include a prohibition of the use of certain environmentally hazardous substances, such as lead, which in certain electrical and electronic equipment may no longer be used.
- 2. The supplier must therefore always communicate in writing, whether they use environmentally hazardous substances that are banned under Directive 2002/95/EC (RoHS) and the Electrical and Electronic Equipment Act. If imtech does not receive any notification, imtech will act on the assumption that no substances prohibited by the Directive 2002/95/EC (RoHS) and the Electrical and Electronical Equipment Act are used.

§ 13 Applicable law

- 1. Court of jurisdiction at the discretion of imtech is the court competent for the seat of imtech or court of jurisdiction of the supplier.
- **2.** Place of execution is the place on which the goods are to be delivered under the order.
- **3.** The law of the Federal Republic of Germany shall be exclusively applicable to the contractual relations with imtech.

The applicability of the CISG - "Vienna Sales Convention" - is excluded.

4. Should parts of these General Terms and Conditions be invalid, the validity of the remaining provisions shall not thereby be affected. The contracting parties shall seek to replace the ineffective clause with another clause that come closest to the economic purpose and legislative intent of the original formulation.