

## **General conditions of purchase of CFT GmbH**

Only the following conditions shall apply to our orders insofar as another agreement has not been made in writing:

### **I. General**

#### **1. Validity**

Orders, agreements and amendments shall only be binding if they have been placed in writing or confirmed by us.

#### **2. Correspondence**

Correspondence shall only be conducted with the purchasing department.

### **II. Prices**

The prices shall be fixed prices excluding the legal sales tax. They shall be understood free receiving location including any packaging.

### **III. Payment**

#### **1. Invoices shall be submitted immediately after delivery/performance**

3% discount shall apply to payment within 14 days, 2% discount to payment within 30 days and net following payment after 60 days.

All payments shall be made by payment instruments of our choice. As far as trade bills or acceptances outstanding shall be given in payment, we shall bear the stamp duty on bills of exchange and the discount in an amount to be agreed.

The payment shall be made subject to the correct fulfilment of contract and the correctness with regard to price and calculation.

2. We shall be entitled to also offset your claims against claims of companies affiliated with us. The offsetting shall also then be permissible if the claim or counterclaim is not yet due for payment. In this case, settlement shall be with value date. The interest rate for the due claim shall then amount to 2.5% over and above the respective discount rate of the Federal State Central Bank.

3. Claims can only be assigned with our written approval.

#### **IV. Guarantee of deadlines:**

1. In the event that you exceed the agreed completion deadline for reasons for which you are responsible (default), we shall be entitled to a contractual penalty in the amount of 1 % of the total order value for each commenced week of the missed deadline, a maximum however of 5 % of the total order value.

2. In the event that the delivery deadline shall be fallen short of by more than 5 working days, acceptance can be refused or 0.2% of the total order value deducted for each additional working day.

3. The stated delivery deadlines shall be adhered to without fail. The delivery deadline requested in the order shall be used as the basis for the payment of the invoice (term of payment).

#### **V. Warranty**

1. The delivery/performance must correspond to the purpose of use, the acknowledged engineering rules, the legal provisions as well as the approval regulations, industrial safety regulations and accident prevention regulations.

2. You shall waive the plea of belated notice of defects.

3. The warranty period shall amount to 24 months after acceptance, 36 months at the longest after delivery/performance. The expiry of the warranty period shall be restrained from the date of the receipt of the notice of defect until rectification of the defect. For repaired and replaced parts the warranty period shall start up again on the day of repair or replacement delivery.

4. Upon request, you shall immediately and free of charge – including ancillary expenses – rectify faults in delivery/performance complained of during the warranty period, which also includes the absence of assured features. If this is not possible or if we cannot be expected to accept the use of repaired parts, you shall replace the faulty parts with flawless parts free of charge.

5. In addition to the legal and contractual warranty claims, we shall, in urgent cases or if you do not satisfy your repair obligation within a deadline that we have set, also be entitled to the right to take the necessary measures at your expense and for your risk irrespective of your warranty obligation.
6. Your warranty and guarantee obligations as the case may be shall not be affected by our agreement to drawings, calculations or other technical documents.

#### **VI. Compensation**

We shall not assert a claim to compensation for indirect damages unless the damage-causing event was provoked intentionally or out of gross negligence; the appropriate proof of exoneration shall be incumbent upon you.

#### **VII. Place of performance and jurisdictional venue**

The place of performance for your services shall be the receiving location we prescribed. The place of performance for payments is every location where the buyer or his subsidiaries have an account at a bank. Gladbeck shall be the jurisdictional venue. We shall, however, be entitled to also assert our claims at the court that is competent for the place of performance.

#### **VIII. Legal provisions**

Supplementary to this, the legal provisions of the Federal Republic of Germany shall apply.

As at: 10/05