

## **General Terms and Conditions of Purchasing (GTP) of isoplus Fernwärmetechnik GmbH Sondershausen**

### **I. Scope**

1. Unless otherwise agreed in writing, the legal regulations between the supplier and us shall be based exclusively upon these General Terms and Conditions of Purchasing (GTP). The supplier's general terms and conditions or other deviating conditions shall not apply even if we do not explicitly reject them in any individual case or authorise the performance unconditionally.
2. Our GTP shall apply in business dealings with companies, legal persons under public law and special funds under public law.

### **II. Written form**

1. Orders, conclusions of contracts, call-offs and their modification or additions thereunto must be in written form. Collateral verbal agreements and other agreements must be confirmed by us in writing to be effective.
2. The requirement for written form shall be fulfilled if communication is effected by means of fax, email or other electronic data transfer.

### **III. Purchase order, order confirmation**

1. Purchase orders must be confirmed in writing by the supplier with reference to our order data within two days of receipt of the order. As a rule the order confirmation must contain in particular the price and the binding delivery date.
2. If the supplier does not accept our order within two days of receipt, we shall reserve the right to cancel at any time.

### **IV. Prices**

1. The price given in the purchase order is a fixed price, which shall be binding until the ordered goods have been delivered in full.
2. Should we for reasons of urgency place an order without quoting a price, the price for the previous delivery from the same supplier for this product shall be binding. The supplier must moreover inform us of the price immediately. We reserve the right to a separate approval.
3. If no specific agreement has been made, prices shall include delivery, DDP Sondershausen as per INCOTERMS 2010, including packaging, duty, import charges, transport costs, insurance and any other additional costs.

### **V. Terms of payment**

1. The supplier shall submit for every delivery an invoice in duplicate separately from the goods delivery. The wording of the invoice must be consistent with the order references and contain the respective order number.
2. Insofar as no specific agreement has been made, the invoice shall be settled within 10 days less a 3 % discount, within 14 days less a 2 % discount or within 30 days with no discount. The term begins upon receipt of the goods delivered according to contract and a valid and verifiable invoice.

#### **VI. Terms of delivery, transfer of risk**

1. The supplier must attach a dedicated delivery note to each consignment. All shipping documents are to be furnished with the details of our order data, in particular order number, description of the goods and quality, order item, per item in addition dimensions, quantity and weight, as well as an indication of the batch.
2. Insofar as no collection or freight-paid delivery has been agreed, the supplier must convey the goods to the agreed place of delivery by the most cost-efficient method.
3. Costs arising from non-compliance with these shipping instructions shall be borne by the supplier.
4. The supplier shall bear the risk of accidental loss, destruction or deterioration until the goods are accepted by us or our agents at the place of delivery.

#### **VII. Delivery time, delay in delivery**

1. Agreed dates and periods shall be binding. Compliance with the delivery date or delivery period shall be determined by the time the goods are received by us.
2. Early (part) deliveries shall be accepted by us by prior written arrangement. In the event of delivery earlier than the delivery date, we shall store the goods until the agreed delivery time at the supplier's risk. In the event of early (part) delivery, we shall be entitled to use the agreed delivery date as the basis for calculating the date of payment.
3. The supplier must notify us immediately in writing of any discernible delay of its service to us, giving the reasons for and the probable duration of the delay. The supplier may only invoke causes beyond the supplier's control if it has met its obligation to notify us.
4. We shall be entitled to exercise our statutory rights in the event of delay.

#### **VIII. Force majeure**

1. Events which are unforeseeable, unavoidable and lie beyond the sphere of influence or the supplier, for which the supplier is not responsible, in particular Acts of God, unrest, natural disasters, industrial disputes or official measures, shall release the supplier from liability for the duration of the disruption and to the extent of their effect.
2. Insofar as is reasonable and within a reasonable time, the supplier must notify us of the occurrence of a disturbance and adjust its obligations in good faith in line with the changed circumstances.
3. During such events and for a two-week period thereafter we shall be entitled to withdraw from the contract concerned or declare an extraordinary termination, insofar as our requirements are considerably reduced owing to necessary procurement elsewhere as a result of these events and the events are of not inconsiderable duration.
4. Otherwise in the event of any obstacles not the fault of the supplier, the delivery and payment times shall extend according to the duration of the delay.

#### **IX. Notice of defects**

1. An incoming goods inspection by us only takes place with regard to externally apparent (shipping) damage and externally identifiable deviations as regard identity and quantity, as well as according to approved sampling procedures in the ordinary course of business. We notify the supplier immediately in writing of any defects established in these tests.
2. We notify the supplier immediately in writing of any material defects and other defects which only become apparent later during processing or being put into use, as soon as they are established according to the circumstances of the ordinary course of business.
3. In this respect the supplier shall waive any objection to the delayed notice.
4. In all cases the notice of defect shall be deemed to be without delay and in time if it received by the supplier within ten days.

#### **X. Guarantee, consequential damages, limitation**

1. The supplier shall be responsible for freedom from defects and thereby guarantee that the delivered goods correspond to our order, as regards both quality and quantity (in particular, adhering to the agreed product specifications, as well as the presence of contractually guaranteed qualities and characteristics).
2. The legal provisions shall apply in the event of defective delivery, insofar as nothing else is agreed in these GTP.
3. At our option, the supplier must immediately and free of charge perform repairs (remedial action) or replacement delivery (delivery of replacement parts), as well as reimburse all expenses accruing to us through the supplementary performance. If the supplier fails to start immediately upon our request to rectify the defect, we shall be entitled in urgent cases to avert danger or avoid greater damage to undertake the rectification ourselves or have it performed by a third party at the supplier's expense and to demand reimbursement of the necessary costs and expenses. The same shall apply if the supplier has not rectified the defect upon the unsuccessful expiry of an appropriate deadline set in writing by us.
4. Costs expended for purposes of inspection and repair (including assembly and disassembly, verification activity) shall be borne by the party causing the damage. Our liability for damages for unjustified demands to rectify defects with regard to services already performed by the supplier shall only take effect if we recognise or were not able to recognise through gross negligence that no defect existed.
5. Claims for damages shall be subject to a limitation period of five years after initial operation/use of the end product manufactured by us, in the absence of any other agreement.
6. Apart from cases of suspension of statutes of limitation provided for by law, the statute of limitation for claims and rights relating to defects shall also be suspended for the time between notice of defects and their correction.
7. If the supplier fulfils its obligation of supplementary performance through the delivery of replacement parts, the period of limitation recommences for the goods delivered as replacement after their delivery to us. In the event of the defect being corrected by the supplier, the period of limitation shall be extended for the period in which the goods cannot be used as per contract. The foregoing shall not apply if the supplier has expressly and correctly reserved the right in the supplementary performance to perform the replacement delivery only for reasons of goodwill, to avoid disputes or in the interest of continued business relations.

#### **XI. Liability**

1. The supplier's liability shall otherwise be in accordance with the legal provisions. The supplier shall indemnify us upon first demand from compensation claims of third parties, insofar as the supplier or its subcontractor has caused and is responsible for the defect giving rise to the claim.
2. We, our legal agents and our employees shall only be liable, for whatever reason, for gross negligence, willful intent or if the obligation violated was of major importance for fulfilling the contract (cardinal obligations). In case of breach of these obligations through simple negligence, our liability for damages and reimbursement of expenses shall be limited to foreseeable damage typical of the contract. This shall not apply in cases of injury to life, limb or health for which we are mandatorily liable.

#### **XII. Confidentiality, products, industrial property rights, data protection**

1. The supplier undertakes to keep secret all information, knowledge and documents obtained or otherwise becoming known from our company, e.g. technical data, measurements, designs, models, drawings and other documentation, not to disclose them to third parties and only to use them to process the purchase order concerned.
2. Products that have been manufactured according to documents, designs or models designed by us or according to our confidential information or with our own tools or with tools modelled on ours, may neither be used by the supplier itself nor offered or supplied to third parties. Aforementioned products manufactured by the supplier in the course of the purchase order shall become our property after appropriate payment. Payment for the products occurs after approval of proof samples by us; this requires written approval in the case of first orders or modifications.

3. The supplier shall ensure that we or our clients do not violate any intellectual property rights or business or industrial secrets of third parties through the purchase, ownership, offering, use, processing or resale of the goods. If the supplier culpably violates this obligation, it shall indemnify us and our clients upon first demand from any claims of third parties for actual or claimed industrial property right violations and bear the full costs and expenses accruing to us in this connection.
4. The supplier is obligated to comply with all data protection provisions in the current version and must also instruct its employees appropriately as to data secrecy.

### **XIII. Quality standards, CE conformity**

1. The supplier is obligated to comply with the generally recognised rules of technology (in particular DIN standards, VDE provisions, VDI guidelines, DVGW rules and standards) and statutory provisions as amended on product safety.
2. The purchase order shall take place on condition that the goods to be delivered comply with the generally recognised rules of technology as regards their safety. The supplier undertakes to declare the safety-related conformity in the order confirmation and to submit on demand the necessary documentation for assessment.
3. Should the supplier not meet this obligation or not meet it in suitable fashion, we shall reserve the right to assert claims for damages from consequences arising that are disadvantageous for us.

### **XIV. Product liability, recall measures**

1. In the event that claims are asserted against us by a client or third party on the basis of product liability, the supplier shall be obligated to indemnify us against such claims, insofar as and to the extent that the damage has been caused by a defect in the delivered goods. In cases of fault-based liability, this shall only apply if the supplier has acted culpably. If the cause of damage lies within the supplier's area of responsibility, the latter must demonstrate that it has not acted culpably.
2. If a safety-related defect of the goods makes a recall necessary, we shall inform the supplier of this, allow it adequate cooperation and exchange ideas with regard to efficient implementation. This shall not apply if informing or involving the supplier is not possible by virtue of particular urgency. We shall also be entitled to act ourselves in the interest of the supplier if the latter is not equipped to perform the recall in its business operations.
3. The supplier shall assume all costs and expenses (including the costs of any legal proceedings) arising from or in connection with any recourse to third parties including any recall measures carried out by us.
4. The assertion of further legal claims shall remain unaffected by this provision.

### **XV. Compliance**

1. The supplier undertakes to comply with the respective legal provisions on dealing with employees, environmental protection and work safety and to work as far as possible to avoid negative effects on people and the environment from its activities. In particular, it shall observe the recognised principles of the UN Global Compact, which principally comprise the protection of international human rights, the right to organize and bargain collectively, the abolition of forced labour and child labour, the elimination of discrimination in recruitment and employment, environmental responsibility and the prevention of corruption. We also expect the supplier to comply with the core labour standards of the International Labour Organisation (ILO).
2. Furthermore, environmental protection is of great importance in our understanding of quality, for which reason we operate an environmental management system according to ISO 14001. The supplier also undertakes to comply with the statutory provisions on environmental protection and will set up and refine as far as is possible an appropriate environmental management system.

3. In the event that the supplier repeatedly and/or despite corresponding notification acts unlawfully and does not prove that the legal violation has as far as possible been remedied and appropriate precautions taken to avoid future legal violations, we reserve the right to withdraw from existing contracts or terminate them without notice.

#### **XVI. Trade terms**

Insofar as trade terms have been agreed according to the International Commercial Terms (INCOTERMS), they shall be interpreted and apply according to INCOTERMS 2010.

#### **XVII. Severability clause**

If individual provisions of these GTP and the agreements concerned be or become partly or fully void or impracticable, this shall not affect the validity of the remaining contract. The contractual partners shall be obligated to replace the void or impracticable provision with one which comes the closest to its economic objective.

#### **XVIII. Place of jurisdiction, applicable law**

1. Place of jurisdiction shall be the registered office of our company.
2. German law shall apply to legal relationship between the supplier and us, to the exclusion of the reference standard of international private law. The application of the United Nations on Contracts for the International Sale of Goods (CISG) is excluded.