

1. Area of application

- 1.1 For all - also future - inquiries, orders, purchases as well as other legal transactions and services, the following TGW General Terms and Conditions of Purchase shall be applicable. The supplier shall expressly acknowledge that TGW already now objects to all deviating regulations in a confirmation of order or in any other commercial document of the supplier. Deviating terms and conditions of the supplier and agreements which deviate from the present Terms and Conditions of Purchase shall only become valid upon express written agreement. Acceptance of deliveries and services or their payment do not constitute consent to the supplier's general terms and conditions.
- 1.2 The present Terms and Conditions of Purchase shall be applicable as framework agreements also for any further legal transactions with the supplier. In case an e-commerce agreement exists, these General Terms and Conditions of Purchase shall be supplemental to the e-commerce agreement.
- 1.3 In the event of conflicts among the contractual basis, the following order shall apply:
 - a) special agreements (e. g. delivery contract, quality assurance agreement, etc.), provided that they were acknowledged by TGW in writing
 - b) the present TGW Terms and Conditions of Purchase
 - c) non-mandatory provisions of commercial and civil law

2. Quote, purchase order, contract

- 2.1 Quote: The supplier shall exactly adhere in his quote to the details specified in our tender/enquiry in terms of quantity and condition of the goods to be delivered and notify us in writing of possible deviations beforehand. If the supplier fails to provide this written notification, he will not be entitled to claim a higher payment in case of such deviations. All quotes made by the supplier shall be on a binding basis and free of charge.
- 2.2 Purchase order, contract: Only written orders (including orders by fax and email) or orders effected via the "myTGW" system shall be valid. Agreements made by word of mouth or telephone require written confirmation to be binding for TGW. Deviations from the purchase order in the supplier's confirmation of the order shall not take any effect.

3. Prices

- 3.1 3.1. The agreed prices shall be understood as including packaging, customs, insurance and other transportation or shipping expenses including the costs of a transport permit. The prices are fixed prices in Euro (€), which may not be increased for any reason whatsoever.
- 3.2 Time for payment shall be 60 days net following receipt of invoice.

4. Invoicing and payment

- 4.1 Invoices shall be compliant with the legal requirements, in particular with respect to the Value Added Tax Act, and any special agreements that have been made separately; they must not be added to the delivery and have to be sent to

TGW immediately after the goods have been shipped. Invoices shall in any case contain the complete order number and the order/contract date. The supplier shall be liable for any additional or consequential costs caused by incorrect or incomplete invoicing.

- 4.2 The terms of payment commence with the date of receipt of the invoice. Payment does not constitute a recognition of the correctness of the delivery nor a waiving of claims of any kind whatsoever. The supplier shall not be allowed to assign claims against TGW - except for pure outstanding debts - to third parties.
- 4.3 If the supplier fails to perform a delivery or service as provided in the contract, TGW will be entitled to retain the corresponding payment until it has been performed according to contract.

5. Delivery, delivery period and terms of delivery

- 5.1 Any delivery shall be made in accordance with Incoterm® 2010: DDP TGW Lindenweg 13, D-92552 Teunz, unless a different specific place of destination is specified in the tender/on the order form.
- 5.2 The delivery has to be made at the time and in the quantities defined in the contract or in the purchase order. The receipt of the goods at the specified receiving office or point of use or the timeliness of successful acceptance shall be decisive for the compliance with the date of delivery or the term of delivery. The acceptance of delayed deliveries shall always be made under the reservation of any possible claims.
- 5.3 The supplier shall be obliged to immediately inform TGW in writing, as soon as a delivery is delayed. In the event of a delayed delivery, TGW shall be entitled, irrespective of the supplier's fault, to deduct a contractual penalty to the amount of 3 %, but limited to 10 %, of the contract value per day. Furthermore, TGW shall reserve the right to withdraw from the contract without setting a period of grace in case of the supplier's delay; no rights shall arise for the supplier against TGW from this. TGW shall be entitled to this right of withdrawal as of the 5th day of delay. Other claims for compensation of all damages caused by the delayed delivery and adverse effects of whatsoever kind that go beyond the contractual penalty shall remain unaffected. Reservation of contractual penalty already at the moment of acceptance is not necessary, it may rather be claimed until the final payment is made, in particular the penalty may be deducted from the final invoice. Contractual penalties for intermediate deadlines may be deducted from partial payments.
- 5.4 The supplier shall only be entitled to plead absence of necessary documents to be provided by TGW, if he demanded their submittal in writing and did not receive them within a reasonable period of time; in such a case no delay in delivery will occur as long as TGW fails to submit the required documents. The burden of proof thereof shall rest with the supplier.

5.5 Obstructions of delivery caused by force majeure shall not be considered as delay; in such cases TGW shall have the right to either withdraw from the contract or to postpone the respective delivery date ex parte to a later date, without the supplier being entitled to claims against TGW. Such events of force majeure shall exclusively include: war, insurrection, natural disaster, fire, official strike.

6. Shipping

6.1 Every shipment must include a TGW identification card and a delivery note. The supplier shall be liable for any damage, expenses, demurrage etc. arising from the non-compliance with this provision. The delivery will not be accepted without the corresponding shipping documents, but deferred at the supplier's cost and risk. Shipments have to be packed properly for the means of transportation used, in particular observing TGW's shipping instructions. If the supplier fails to observe these instructions, he shall bear all related costs.

6.2 Partial deliveries shall only be permitted upon prior written consent, otherwise TGW may refuse their acceptance. In any case, partial deliveries shall not be deemed as independent transactions and must be identified as such indicating the total quantity and the quantity of the respective partial delivery.

7. Contract documentation

7.1 The supplier must not use any of the specifications, drawings and other technical documents, which have been provided by TGW to the supplier for the production of the delivery item or which the supplier has produced according to TGW's special specifications, for any purpose other than the production according to the respective order, nor copy them or make them available to third parties. The above-mentioned documents shall remain the sole property of TGW and will have to be returned to TGW together with any extracts and copies immediately upon request. If the supplier is not able to deliver, for whatever reason, he will have to return the entire documentation to TGW immediately without being called upon to do so. The orders and all work relating to them shall be regarded as business secrets and are to be treated with confidentiality. The supplier shall be liable for all damages caused to TGW arising from an infringement of one of these obligations.

8. Project progress

TGW as well as the end customer shall be free to carry out announced checks concerning the progress and quality of performance of the service under contract on the construction site or the supplier's premises as well as on the premises of companies contracted by the supplier on workdays during the normal working hours and at their own discretion.

9. Transfer of risk

Deviating from possibly used Incoterms® 2010, the risk shall be transferred upon delivery of the goods at the place of destination.

10. Liability

The supplier shall be liable in accordance with the legal requirements; a liability for loss of profit shall however be excluded.

11. Warranty

11.1 The supplier shall warrant the complete execution free from defects and according to order or delivery schedule of the scope of supply and services, in particular the usually assumed and at best assured properties mentioned in public statements and according to sample as well as the compliance with all relevant legal and official regulations of deliveries and/or other services that are valid at the place of destination and/or sales markets announced for TGW. The supplier shall demonstrably point all risks out to TGW which are usually related to the scope of supply and services. The supplier shall be liable in a corresponding manner for goods and components that have been delivered but not produced by him and/or for services rendered by him.

11.2 The warranty period shall end after the warranty period of the overall system in which the supplier's goods or services are integrated, but at the earliest 36 months after acceptance of the delivery or service. Terms under tort shall not be changed thereby.

11.3 TGW shall not be obliged to inspect the goods and notify of possible defects (including quality defects), the application of § 377 of HGB (German Commercial Code) shall expressly be waived.

11.4 TGW shall be entitled at its own choice to request from the supplier to remedy the defects at his own cost and risk by correction (repair, provision of missing parts/services) and/or replacement at short notice or to claim reduction of price or to return the goods to the supplier at his costs and to demand redhibitory action, or to remedy the defects and perform not provided or defective services itself or have them corrected and performed by third parties at the supplier's cost and risk.

11.5 In the event of a claim being made against the title of warranty, the burden of proof shall rest with the supplier during the entire warranty period, to prove that a defect did not exist at the moment of handover.

11.6 The supplier shall also assume warranty for latent defects, the period of warranty starting from the moment of full knowledge of the defect.

11.7 In case of defects of whatsoever kind, TGW shall in any case be entitled to retain the total outstanding purchase price or works compensation until full correction of defects.

12. Product liability

12.1 The supplier has to enclose operating instructions and warning notices written in German and English language in his delivery and, as far as this is possible and reasonable, attach them to the delivered goods himself. If the delivered goods turn out to be defective in terms of § 3 of the German Product Liability Act (ProdHaftG) after acceptance of delivery and/or TGW detects that the properties of the product do no longer conform to the state of the art of science and technology in terms of § 1 II No. 5 ProdHaftG, the supplier shall be obliged to take such goods back and refund the complete purchase price.

- 12.2 If claims are made against TGW due to goods delivered or services provided by the supplier, the supplier shall be obliged to immediately deliver any of the means of evidence requested by TGW at his own cost, such as in particular quality and inspection protocols, certificates and so forth.
- 12.3 The supplier shall be obliged to take out a corresponding standard liability insurance policy, TGW reserving the right to request the proof of a corresponding compulsory coverage from the supplier. If the supplier fails to fulfil such a request within a period of 14 days, TGW will be entitled to withdraw from the contract and demand compensation.
- 13. Spare parts**
- 13.1 The supplier shall guarantee supplies of spare parts or compatible parts for a period of at least 10 years.
- 14. Third-party property rights**
- 14.1 The supplier shall guarantee that the use of the delivered objects or other services under the contract does not infringe any property rights of third parties (patent, trademark or sample rights, copyrights, equipment, product names, know-how, territorial protection and rights of a similar kind, in fact even if their granting has been applied for as needed). TGW shall not be obliged to check whether there are immaterial rights on the goods or whether such rights are infringed, but shall be entitled to assume that the supplier has all the rights necessary to perform the order properly towards third parties. The supplier shall indemnify and hold TGW fully harmless of any claims of third parties in this respect.
- 14.2 Without prejudice to further rights, TGW shall in such case be entitled to refuse acceptance of the goods, to place already accepted goods at the supplier's disposal again at his own cost and to retain payment of the total purchase price until the entitlement to the claims made has been clarified.
- 15. Withdrawal from contract**
- In the event of delayed delivery, violation of fundamental contractual obligations, bankruptcy of the supplier or refusal of bankruptcy because of lack of assets, suspension of payments and events of force majeure TGW shall be entitled to withdraw from the contract either in part or in full. No rights of any kind shall arise from such a withdrawal for the supplier against TGW. The supplier shall be obliged to immediately report circumstances of this nature to TGW in writing.
- 16. Confidentiality**
- The supplier may have access to certain proprietary and confidential information of TGW and its customers. Therefore, the supplier shall declare his agreement to treat that information as confidential and not to use said information in any case, except for the fulfilment of this agreement, nor to disclose it to third parties. All already existing non-disclosure agreements between TGW and the supplier shall remain fully valid. The supplier agrees to indemnify TGW for any damages or costs caused by a breach of his duty to maintain confidentiality.
- 17. Non-solicitation agreement**
- 17.1 The supplier shall not be allowed to solicit employees away of TGW or to offer them a job directly or indirectly without prior written consent (both cases hereinafter referred to as "solicitation").
- 17.2 If the supplier infringes the afore-mentioned provision, he will have to pay a penalty which corresponds to the respective annual gross pay the solicited employee received from TGW for his last year of employment; in case of a shorter term of contract, the annual gross pay is projected to a year.
- 17.3 Consequential claims of TGW for compensatory damages resulting from the solicitation will remain valid, the penalty being deducted from the total amount of compensation.
- 18. Advertising**
- Any type of publishing, referencing and advertising by the supplier with the deliveries and services as well as with the business relationship requires the written consent of TGW. Advertising emblems or logos on the scope of supply requires the prior written approval by TGW. Type plates shall be excluded.
- 19. Customer protection**
- 19.1 The supplier shall be obliged to process any transactions in connection with the end customer and with the subject matter of this contract exclusively via TGW. This shall also apply to any deliveries of extensions, spare parts and wear parts as well as maintenance services of the supplier.
- 19.2 In case of infringement of the present provision, TGW shall be entitled to demand a contractual penalty to the amount of the annual turnover of the last 12 months. If the contract is in force for less than 12 months on the day of the infringement, the turnover amount shall be averaged by month and added up to 12 months.
- 20. Place of fulfilment, choice of law and jurisdiction**
- 20.1 For all rights and obligations arising from the legal transactions made with TGW, the place of fulfilment for both parties shall be the respective delivery address, unless otherwise agreed in the tender/on the order form.
- 20.2 The place of jurisdiction for all disputes arising out of or in connection with the present contractual relationship shall exclusively be for the supplier the competent court in Teunz/Germany. But TGW shall be entitled at its own option to claim against the supplier at any other court which may be competent under national or international law.
- 20.3 This agreement shall exclusively be governed by German substantive law. Conflict of laws of international private law and the UN Convention on Contracts for the International Sale of Goods (CISG) shall expressly be excluded.

21. Final provisions

21.1 If one or several provisions of TGW's General Terms and Conditions of Purchase is or becomes ineffective in full or in part, all remaining provisions of TGW's General Terms and Conditions of Purchase will remain effective. This shall also apply to possible loopholes of the agreement. The ineffective provision shall be replaced by a different provision which comes closest to the content and purpose of the ineffective provision.

21.2 The titles of the provisions contained in TGW's General Terms and Conditions of Purchase shall only serve for better clarity and must not be used for the interpretation thereof.

21.3 No business development taking place between the supplier and TGW and no delay or default regarding the exercise of a right, legal remedy or means granted to TGW according to the present General Terms and Conditions of Purchase shall be deemed as waiver of these rights. Any of the rights and legal means granted in these Terms and Conditions of Purchase or any of the legal remedies granted in these Terms and Conditions of Purchase shall be cumulative and exist co-equally and additionally to other legally granted rights, legal remedies and means.