

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

1. Prevalence

- 1.1 All business relations with our suppliers are subject to these General Terms and Conditions of Purchasing (GTCP). The GTCP are applicable only if the supplier is an entrepreneur (§ 14 BGB - German Civil Code), a corporate body under public law, or a special fund under public law (§ 310 para. 1 BGB).
- 1.2 Unless expressly agreed to the contrary in writing, these General Terms and Conditions of Purchasing apply to all purchases made by Handte Umwelttechnik GmbH, irrespective of whether the supplier manufactures the goods or procures them from sub-suppliers.
- 1.3 Any different, contrary, or supplementary general terms and conditions (sales, delivery, installation conditions etc.) of the supplier's shall only become a part of the contract if and as far as Handte Umwelttechnik GmbH expressly consented to the validity of such terms and conditions in writing. This requirement of consent is applicable in any case, also for example if Handte Umwelttechnik GmbH, being aware of the supplier's general terms and conditions, accepts such supplier's deliveries without any reservation.
- 1.4 By accepting an order, the supplier at the same time fully accepts the General Terms and Conditions of Purchasing by Handte Umwelttechnik GmbH.
- 1.5 Agreements, legally relevant statements by the parties, and supplier's announcements to be submitted to Handte Umwelttechnik GmbH after conclusion of contract (e.g. fixing of deadlines, dunning notices, declaration of withdrawal) must be in writing to be valid.
- 1.6 Notes on the applicability of statutory regulations are for clarification only. Accordingly, the statutory regulation shall apply also in the absence of such clarification unless directly modified or expressly excluded in these General Terms and Conditions of Purchasing.

2. Request for proposals /proposals

- 2.1 Unless agreed to the contrary, supplier's proposals shall be free of charge and without obligation for Handte Umwelttechnik GmbH.
- 2.2 In preparing its proposal, the supplier shall closely adhere to the request for proposal by Handte Umwelttechnik GmbH; any deviation from such request must be pointed out. Unless expressly limited in time, the proposal shall be binding for 90 days.

3. Purchase order

- 3.1 Purchase orders are only valid if made by Handte Umwelttechnik GmbH in writing.
- 3.2 The supplier shall confirm all orders within 5 work days. Failure by supplier to confirm an order is considered acceptance of the order by Handte Umwelttechnik GmbH at the terms mentioned in such order. Any deviations from the order must be clearly marked in the order confirmation and are invalid unless confirmed in writing by Handte Umwelttechnik GmbH.
- 3.3 Paragraphs 3.1 and 3.2 also apply to any amendments that have become necessary over the course of processing the transactions.
- 3.4 The supplier shall draw our attention to apparent errors (e.g. typing and arithmetic errors) and incompleteness in the order and the order documents so that we can correct such errors and gaps before order acceptance; otherwise, the contract is considered not concluded.

4. Documents

The documents made available by Handte Umwelttechnik GmbH as well as all drawings, models and samples remain the property of Handte Umwelttechnik GmbH. The supplier shall use such documents and material only in connection with the execution of orders by Handte Umwelttechnik GmbH and exclusively in the purchaser's best interest. Without express written confirmation by Handte Umwelttechnik GmbH, such documents shall not be disclosed to third parties in any way or used to manufacture goods for third parties.

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

5. Prices

- 5.1 Unless agreed to the contrary, the negotiated prices shall be fixed prices.
- 5.2 For orders carried out without prior price quotation, Handte Umwelttechnik GmbH reserves the right to consent to the price after receipt of invoice.
- 5.3 For orders the handling of which extends over a longer period of time, any increase in wage or material prices etc. can only be passed on to Handte Umwelttechnik GmbH if agreed so in advance.
- 5.4 Sections 5.2 and 5.3 are not applicable to small orders in a total amount of max. € 500.--.
- 5.5 Unless agreed to the contrary in an individual case, the price comprises all services and ancillary services (e.g. assembly, installation) provided by the supplier, as well as all ancillary costs (e.g. proper packaging, transport costs including transport and liability insurance if applicable). On the request of Handte Umwelttechnik GmbH, the supplier shall take back its packaging material.

6. Confidentiality, retention of title, and copyrights

- 6.1 Handte Umwelttechnik GmbH reserves all property rights and copyrights in its illustrations, plans, drawings, calculations, standard operating procedures, product descriptions, and other documents. Such documents shall only be used for the contractual services and shall be returned to Handte Umwelttechnik GmbH after completion of contract. The obligation not to disclose such documents to third parties continues after termination of the contract. The confidentiality obligation only expires when and insofar as the know-how comprised in the documents provided becomes generally known. The copyrights in the order lie with Handte Umwelttechnik GmbH. The supplier shall keep the preparation of a proposal and/or the purchase order and the ensuing work or deliveries confidential.
- 6.2 The above regulation applies accordingly to media and materials and to tools, samples, master copies and other items made available to the supplier by Handte Umwelttechnik GmbH. Before such items are processed, the supplier at its own expense shall store them separately, keep them in good condition for the duration of the reservation of title, and procure for them the usual scope of insurance against damage and loss (in particular theft, breakage, fire, water, and other risks). The supplier shall furthermore take all necessary measures to ensure that the (co-) title of Handte Umwelttechnik GmbH is neither compromised nor cancelled. The supplier shall assign the claims from the insurance to Handte Umwelttechnik GmbH.
- 6.3 The supplier shall carry out any processing, mixing, or connecting of the thing made available by us for the benefit of Handte Umwelttechnik GmbH. If third party property rights remain intact in the course of such processing, mixing, or connecting with third party things, we shall acquire co-ownership in the new thing in the ratio of the value of the thing provided by us to the other thing. In the following, things co-owned by Handte Umwelttechnik GmbH are referred to as goods subject to retention of title.
- 6.4 The assignment of the goods to us shall take place unconditionally and irrespective of the payment of the purchasing price. Generally, all types of extended or prolonged retention of title are excluded so that a retention of title that may have been validly declared by the supplier shall be applicable only up to payment of the goods delivered to us, and only for those goods.
- 6.5 It is not permitted to transfer by way of pledge or security the media and material made available by Handte Umwelttechnik GmbH or the goods subject to retention of title.

7. Supplier's violation of copyrights and patents

The supplier shall be liable to Handte Umwelttechnik GmbH for any violation of copyrights and patents arising out of the delivery, and shall conduct at its own expense any lawsuits for Handte Umwelttechnik GmbH and keep Handte Umwelttechnik GmbH harmless of any damage.

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

8. Safety certificates / liability / declarations of conformity

- 8.1 Deliveries of technical facilities and personal protective equipment must be accompanied by the respective safety certificates, for example declaration of conformity and safety information.
- 8.2 Unless agreed to the contrary, Handte Umwelttechnik GmbH shall not be liable for slightly negligent breaches of duty; this shall not apply to damage attributable to it arising from death, bodily injury, illness, or to its violation of a material contractual obligation.
- 8.3 Persons entering the premises, factories, and construction sites of Handte Umwelttechnik GmbH are bound not only to these Conditions and Terms of Purchasing but also to the safety instructions and regulations of Handte Umwelttechnik GmbH. In case of non-compliance with these, the supplier and its vicarious agents shall be liable for any resulting damage suffered by Handte Umwelttechnik GmbH, and Handte Umwelttechnik GmbH repudiates all liability vis-à-vis the supplier and its vicarious agents.

9. Delivery date and consequences of delay, force majeure, accidental perishing and deterioration of the item

- 9.1 The delivery dates are to be understood as the dates the goods must arrive at the agreed place of performance. The supplier shall bear the procurement risk for its services except where the delivery object is manufactured individually.
- 9.2 The delivery is due by the agreed delivery date. In case of late delivery, the supplier shall be advised in writing that it is in default.
- 9.3 If the supplier expects the delivery to be late in whole or in parts, it shall inform Handte Umwelttechnik GmbH immediately of such delay, mentioning the reasons and the expected duration. This information does not limit our right to advise the supplier that it is in default.
- 9.4 The supplier can only invoke the non-receipt of documents or materials to be provided by Handte Umwelttechnik GmbH if it has demanded in good time that such documents or material be provided. In this case, the delivery period will be reasonably extended.
- 9.5 In any case, even if a contractual penalty has been agreed, we reserve the assertion of all legal claims resulting from delayed delivery. The payment of a compensation for delay does not release the supplier from its obligation to effect delivery as agreed in the contract.
- 9.6 In case of events of force majeure, e.g. war, natural disasters, boycotts, strike, legal restrictions (import and/or export bans etc.) and similar, the parties shall negotiate about the continuation of the contract. If no agreement has been negotiated after 6 months, Handte Umwelttechnik GmbH may withdraw from the contract.

10. Packaging, transport, insurance, documents, declarations by long-term suppliers

- 10.1 At any rate, the packaging must be selected to ensure that the goods are effectively protected from any kind of damage during transport and storage.
- 10.2 Unless agreed to the contrary in writing, the goods shall be dispatched and transported at supplier's expense and risk. The supplier shall also provide transport insurance.
- 10.3 Each consignment must be accompanied by a detailed delivery note. The invoice shall be sent in two copies by separate mail. All correspondence (letters, invoices, copies of delivery notes etc.) shall be addressed to the place of business of Handte Umwelttechnik GmbH and must comprise the following information: reference order number, account/job number, order date, etc. The delivery documents must detail the gross and the net weight. The delivery note shall specify the point of destination.
- 10.4 We shall not be liable for any processing and payment delay resulting from absence or incompleteness of the delivery note.
- 10.5 Companies supplying Handte Umwelttechnik GmbH on a recurrent basis shall submit a long-term supplier declaration once a year without special request.

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

11. Passing of use and risk / Duty to notify of non-conformity

- 11.1** Use and risk in the goods passes with arrival of the consignment at the place of performance and provision of other agreed services. In case of absence of accompanying documents, the consignment shall be stored at supplier's expense and risk until receipt of the documents intended to accompany the consignment. If an acceptance test has been agreed, risk shall pass at that test.
- 11.2** Usually, a report will be drawn up on the acceptance test to be signed by Handte Umwelttechnik GmbH and by the supplier or their respective representatives. This report must mention the fact that the goods have been accepted, or conditionally accepted, or rejected by Handte Umwelttechnik GmbH. In the two latter cases, each of the asserted defects must be identified in the report.
- 11.3** All commercial duties to examine and notify of non-conformity are subject to the statutory requirements as follows: The duty of Handte Umwelttechnik GmbH to examine the goods is restricted to defects detectable during the visual inspection in the frame of the incoming inspection and the examination of the delivery documents, and during random quality checks (e.g. transport damages, delivery of incorrect items or quantities). If an acceptance test has been agreed upon, the purchaser is not obliged to examine the goods on receipt. Furthermore, it is agreed that the duty to examine will be exercised in a scope that is reasonable and feasible under consideration of the individual circumstances. In any case, Handte Umwelttechnik GmbH shall be allowed a period of no less than two weeks after detection of a defect for the examination and notification of non-conformity.

12. Supplier's liability

- 12.1** The supplier must ensure that the delivery object
- 12.1.1 is free of defect impairing its value or suitability for the intended use;
 - 12.1.2 has the assured properties and agreed characteristics at the time when risk passes to Handte Umwelttechnik GmbH;
 - 12.1.3 complies with the mandatory specifications;
 - 12.1.4 complies with the applicable laws, regulations, and other provisions.
- Unless agreed to the contrary in the following, the statutory provisions shall apply in case of defects in the goods as to quality or title (including delivery of incorrect items or quantities or improper assembly, or provision of incorrect assembly, operating or handling instructions) and other violation of the supplier's duties.
- 12.2** Should it become evident during the warranty period that the delivery in whole or in parts does not meet the contractual requirements, the supplier shall, at the option of Handte Umwelttechnik GmbH, either remedy the defects or have them remedied immediately on site at its own expense, or provide Handte Umwelttechnik GmbH free of charge with a substitute item that is free of defects.
- 12.3** If the supplier fails to meet its duty to rework within a reasonable period fixed by Handte Umwelttechnik GmbH, Handte Umwelttechnik GmbH may remedy the defect itself and charge the supplier with the expenses incurred, or with an advance payment covering those expenses. If rework by the supplier failed, or is unacceptable to Handte Umwelttechnik GmbH (e.g. in particularly urgent situations, if plant safety is at risk or if disproportionate damage is pending), no period must be fixed.
- 12.4** If rework pursuant to sections 12.2 or 12.3 fails, or if the supplier cannot be reasonably expected to carry out rework, Handte Umwelttechnik GmbH at its option may either demand reduction of the remuneration (reduction) or withdraw from the contract (withdrawal) or demand compensation for its actual losses.
- 12.5** If the parties disagree on the judgment of a defect, the result of tests and examinations carried out by an institute accepted by both parties shall be decisive. The costs for these examinations shall be paid by the party at fault.
- 12.6** In the frame of the statutory regulations, the supplier shall be liable for all damage suffered by Handte Umwelttechnik GmbH or third parties as a result of the delivery or other services provided. Should people be injured, third party objects be damaged, or other damage be done and should Handte Umwelttechnik GmbH be made liable, Handte Umwelttechnik GmbH shall have the right of recourse to the supplier.
- 12.7** In deviation from § 442 para. 1 p. 2 BGB, Handte Umwelttechnik GmbH shall also have the unrestricted right to file complaints for defects if Handte Umwelttechnik GmbH with gross negligence failed to detect the defect on conclusion of contract.
- 12.8** The supplier must pay all expenses incurred in the context of examination and rework even if it is found that the goods were actually free of defect. The liability for damages of Handte Umwelttechnik GmbH in respect of unjustified request for rectification of defects remains unaffected; however, Handte Umwelttechnik GmbH shall only be liable if they realized or with gross negligence failed to realize that there was no defect.

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

13. Recourse of the supplier

- 13.1** In addition to the right to claim damage for defects, Handte Umwelttechnik GmbH is fully entitled to the statutory rights of recourse of Handte Umwelttechnik GmbH within a delivery chain (recourse of the entrepreneur pursuant to §§ 478, 479 BGB). In particular, Handte Umwelttechnik GmbH has the right to demand that the supplier provide exactly that kind of supplementary performance (rework or replacement) that Handte Umwelttechnik GmbH owes its customers in the respective case. This is without prejudice to the statutory right of Handte Umwelttechnik GmbH to choose a cure (§439 para.1 BGB).
- 13.2** Before Handte Umwelttechnik GmbH acknowledges or acts on a claim for defects (including compensation for expenses pursuant to §§ 478 para. 3, 439 para. 2 BGB), Handte Umwelttechnik GmbH shall notify the supplier, briefly explain the situation, and ask for a statement in writing. If the supplier fails to submit such statement reasonably soon, and if no unanimous solution is found, a claim for defects actually admitted by Handte Umwelttechnik GmbH is considered owed to the customer of Handte Umwelttechnik GmbH. In this case, the burden of proof of the contrary lies with the supplier.
- 13.3** The claims of Handte Umwelttechnik GmbH from the recourse of the supplier shall also be applicable if Handte Umwelttechnik GmbH or one of its customers processed the goods, for example by installing them in another thing, before they were sold to a consumer.

14. Producer's liability

- 14.1** If the supplier is liable for a product defect, it shall release Handte Umwelttechnik GmbH from all third party claims insofar as the cause lies in supplier's domain and organization, and supplier is liable vis-à-vis third parties.
- 14.2** In the frame of its indemnity obligation, the supplier shall refund all expenses pursuant to §§ 683, 670 BGB resulting from or incurred in connection with any use of third party services including any recall measures taken by Handte Umwelttechnik GmbH. As far as feasible and reasonable, Handte Umwelttechnik GmbH shall inform the supplier about the content and scope of recall measures and give it the opportunity to make a statement. Other statutory rights beyond that remain unaffected.
- 14.3** The supplier shall take out and maintain product liability insurance with a total insured sum of no less than EUR 5,000,000,- per damage to persons / objects.

15. Statute of limitations

- 15.1** Unless specified to the contrary in the following, the parties' respective claims vis-à-vis each other shall become statute-barred as defined in the statutory provisions.
- 15.2** Deviating from § 438 para.1 no.3 BGB, the general period of limitation for claims for defects shall start 3 years after passing of risks. If an acceptance test has been agreed on, limitation shall start at acceptance. The 3-year period of limitation applies accordingly also to claims from defects in title while the statutory period of limitations for third parties' urgent claims for return (§ 438 para. 1 no. 1 BGB) remains unaffected. Claims from defects in title shall generally not become statute-barred as long as the third party can still assert its right against us, in particular if such right is not subject to limitation.
- 15.3** As far as legally permissible, the periods of limitation defined in the Convention on Contracts for Sale of Goods and the extension specified above shall apply to all contractual claims for defects. As far as we are additionally entitled to non-contractual claims for damages, the standard statutory period of limitation (§§ 195, 199 BGB) shall apply, unless the application of the limitation periods defined in the Convention on Contracts for Sale of Goods result in longer limitation periods.

General Terms and Conditions of Purchasing of Handte Umwelttechnik GmbH (as of 11/2011)

16. Terms of payment

- 16.1 Unless agreed to the contrary, Handte Umwelttechnik GmbH shall pay the invoice within 14 days after receipt of invoice with 3% discount, or else 60 days after receipt of invoice without discount. This is under the condition that the ordered goods and the accompanying documents have been received and that other contractual services have been provided.
- 16.2 Handte Umwelttechnik GmbH shall not owe interest counting from due date. Supplier's claim for payment of default interest remains unaffected. Our being in default is subject to the statutory provisions. In any case, it requires the supplier's formal advice that we are in default.
- 16.3 In the statutory scope, Handte Umwelttechnik GmbH is entitled to set off and retain, and to the defense of lack of performance of the contract. In particular, Handte Umwelttechnik GmbH is entitled to retain payments due as long as it still has claims vis-à-vis the supplier from incomplete or defective provision of goods or services.
- 16.4 The supplier's right to set-off and retention is restricted to final, absolute and uncontested counterclaims.
- 16.5 As a rule, Handte Umwelttechnik GmbH does not make downpayments. If a downpayment has been agreed upon in exceptional cases, the supplier shall on request provide to Handte Umwelttechnik GmbH free of charge a reasonable security (e.g. an undisputed bank guarantee).

17. Place of performance

- 17.1 Place of performance for deliveries and other services is the place of destination. If no place of destination has been agreed, the delivery shall be addressed to the place of business of Handte Umwelttechnik GmbH at Ludwigstaler Str. 149, 78532 Tuttlingen. In all cases, the place of destination is also the place of performance (obligation to perform at creditor's place of business).
- 17.2 Place of performance for payments is the place of business of Handte Umwelttechnik GmbH.

18. Choice of law and jurisdiction

- 18.1 These General Terms and Conditions of Purchasing and all legal relations between Handte Umwelttechnik GmbH and the supplier are subject to the law of the Federal Republic of Germany under exclusion of all international and supranational (contract) law, in particular the United Nations Convention on Contracts for the International Sale of Goods. Preconditions and effects of retention of title are subject to the law applicable at the place where the thing is situated, as far as the choice of German law is not permissible or effective according to that law.
- 18.2 If the supplier is a merchant in the sense of German Commercial Code (HGB), a corporate body under public law or a special fund under public law, exclusive jurisdiction - also internationally - for all disputes arising from the contractual relation is at the place of business of Handte Umwelttechnik GmbH in Tuttlingen/Rottweil. However, Handte Umwelttechnik GmbH also has the right to bring suit at the place of performance of the delivery obligation.

19. Miscellaneous

- 19.1 The invalidity of individual clauses shall not affect the validity of the remaining regulations.

Handte Umwelttechnik GmbH