

Handte Umwelttechnik GmbH

General Terms and Conditions of Purchase

(Version 2/2006)

1. **Exclusive scope**
 - 1.1 The Terms and Conditions as set out below shall apply exclusively to companies, legal entities under public law or separate assets under public law within the meaning of § 310 Section 1 of the BGB [*German Civil Code*].
 - 1.2 The Terms and Conditions as set out below shall apply for all purchases made by HANDTE UMWELTTECHNIK GMBH, unless otherwise agreed in writing.
 - 1.3 The General Terms and Conditions of the supplier (regarding sales, deliveries, assembly) shall only apply if they have been expressly confirmed in writing by HANDTE UMWELTTECHNIK GMBH.
 - 1.4 Acceptance of an order by the supplier simultaneously constitutes his recognition of the said Terms and Conditions of Purchase in their entirety.
 - 1.5 All agreements and legally-relevant statements made by the contractual parties are only effective if in written form.
2. **Enquiries and quotations**
 - 2.1 Quotations submitted by the supplier are for HANDTE UMWELTTECHNIK GMBH without charge and non-binding, unless otherwise agreed.
 - 2.2 In his quotation, the supplier shall adhere exactly to the specifications in the enquiry made by HANDTE UMWELTTECHNIK GMBH and, in the case of deviations, shall refer to them expressly. If the offer is not expressly limited, it shall remain binding for 90 days.
3. **Orders**
 - 3.1 Orders shall only be valid if they are placed with HANDTE UMWELTTECHNIK GMBH in written form.
 - 3.2 Orders shall be acknowledged by the supplier within 14 working days. Should he dispense with an acknowledgement, this shall constitute his acceptance of the order placed by HANDTE UMWELTTECHNIK GMBH under the said General Terms and Conditions. Amendments to the order shall be clearly identified and require the written approval of HANDTE UMWELTTECHNIK GMBH to be effective.
 - 3.3 Sections 3.1 and 3.2 shall apply likewise to any follow-up orders which during the course of dealing with the order have become necessary.
4. **Documents**

Any documents made available by HANDTE UMWELTTECHNIK GMBH such as drawings, models, patterns, shall remain the property of the same. The supplier shall use them solely in connection with the execution of the order placed by HANDTE UMWELTTECHNIK GMBH and exclusively in the interest of the purchaser. Such documents shall not be made available to third parties in any form or used for the production of goods by third parties without the expressed written approval by HANDTE UMWELTTECHNIK GMBH
5. **Prices**
 - 5.1 Unless otherwise agreed, the agreed prices shall be fixed prices.
 - 5.2 Should the order be executed without previous price quotation or without any indication as to the price, HANDTE UMWELTTECHNIK GMBH shall reserve the right to approve the prices after receipt of the invoice.
 - 5.3 Should the execution of the order be prolonged over a longer period, increased costs may be incurred for wages, materials etc. which may only be passed on to HANDTE UMWELTTECHNIK GMBH if this has been previously agreed.
 - 5.4 Sections 5.2 and 5.3 do not apply to minor orders up to € 500.
6. **Retention of title**
 - 6.1 Material, which HANDTE UMWELTTECHNIK GMBH supplies for the execution of an order remains the property of HANDTE UMWELTTECHNIK GMBH. Should HANDTE UMWELTTECHNIK GMBH ownership expire for reason of connections, it shall now be already agreed that (co)-ownership of HANDTE UMWELTTECHNIK GMBH in the uniform matter shall pass proportionate to the value (invoice value) to HANDTE UMWELTTECHNIK GMBH. The supplier holds the (co)-ownership of HANDTE UMWELTTECHNIK GMBH free of charge. Goods in which HANDTE UMWELTTECHNIK GMBH has (co)-ownership are hereinafter referred to as reserved goods.
 - 6.2 Pledges or chattel mortgage in the supplied materials or reserved goods shall not be permitted.
 - 6.3 The supplier is obliged to maintain the materials and reserved goods left to him at his own cost for the period of retention of title and to insure them in favour of HANDTE UMWELTTECHNIK GMBH against theft, breakage, fire, water and other risks, and moreover to take all measures to ensure that the (co)-claim to ownership of HANDTE UMWELTTECHNIK GMBH is neither impaired nor nullified. The customer shall already transfer title to insurance benefits to HANDTE UMWELTTECHNIK GMBH.
7. **Breach of copyright and patents by the supplier**

The supplier is liable to HANDTE UMWELTTECHNIK GMBH for all breaches of copyright and patent arising from the consignment and is obliged to conduct at his own cost any legal proceedings for HANDTE UMWELTTECHNIK GMBH and to hold HANDTE UMWELTTECHNIK GMBH harmless from any claims for damages.
8. **Safety instructions / liability / declaration of conformity**
 - 8.1 The supply of technical aids and personal protection equipment shall be accompanied by the relevant verification of safety such as declarations of conformity and safety instructions.
 - 8.2 Unless otherwise contractually regulated, HANDTE UMWELTTECHNIK GMBH is excluded from liability for slight negligence of duty in so far as this does not concern damage caused by it through injury to life, body and health or a major contractual duty (cardinal obligations).
 - 8.3 In addition to these General Terms and Conditions, the safety instructions and regulations of HANDTE UMWELTTECHNIK GMBH shall apply additionally when entering buildings, plants or construction sites belonging to HANDTE UMWELTTECHNIK GMBH. In the case of non-observance, the supplier or his assistants shall be held liable for any thus resulting damage caused to HANDTE UMWELTTECHNIK GMBH and HANDTE UMWELTTECHNIK GMBH shall decline any liability towards the supplier, and his assistants.
9. **Delivery dates and consequences of delays in delivery, force majeure**
 - 9.1 Delivery dates shall be the date of arrival at the agreed place of performance of delivery as per Item 17.
 - 9.2 Delivery shall be due on the agreed date of delivery. Should the supplier fail to meet the agreed date, he shall be put into default by means of a written reminder.
 - 9.3 Should the supplier assume that the delivery, or part of the delivery, cannot be executed in accordance with the agreed date, he shall inform HANDTE UMWELTTECHNIK GMBH without delay, stating reasons for the delay and the assumed length of delay. The right to place the supplier in default shall not be restricted thereby.
 - 9.4 The supplier may only refer to required missing documents or materials which are to be provided by HANDTE UMWELTTECHNIK GMBH under the terms of the contract if he has requested them in due time. The delivery period shall then be extended accordingly.
 - 9.5 The right to assert all legal claims resulting from delayed delivery remains in any case even when a contractual penalty has been agreed. Payment of damages for default shall not release the supplier from his obligation to fulfil his contractual performance.
 - 9.6 In the event of force majeure such as wars, catastrophes, boycotts, strikes, legal impossibility (such as import/export prohibition) etc. the contractual parties shall negotiate the continuation of the contract. Should negotiations not lead to any agreement after 6 months, HANDTE UMWELTTECHNIK GMBH is entitled to withdraw from the contract.
10. **Packaging, transport, insurance, correspondence**
 - 10.1 Packaging shall be so designed as to ensure the goods are protected against all damage in transit and during following storage.
 - 10.2 Unless otherwise agreed in writing, the costs and risks of dispatch and transport shall be borne by the supplier who is likewise responsible for taking out transport insurance.
 - 10.3 Each consignment shall be accompanied by a detailed consignment note. The invoice in duplicate shall be delivered by separate post. All correspondence (letters, invoices, copies of delivery note etc) shall be sent to the EKS headquarters and shall include the following information: reference order number, Account number/order number, date of order etc. The shipping documents shall also include gross and net weights. The place of delivery shall be stated in the delivery note.
11. **Transfer of use and risks / duty of inspection, notification and rejection**
 - 11.1 The transfer of risk and use is passed on as soon as the consignment reaches the place of delivery and further agreed performance has been fulfilled.

Should the shipping documents be missing, the supplier shall bear the risk and costs of placing the consignment in storage until the said documents arrive.
 - 11.2 As a rule, a protocol is made concerning the transfer and shall be signed by HANDTE UMWELTTECHNIK GMBH and the supplier or their representatives. The protocol shall state that the transfer has taken place or that it has taken place subject to reservations or that HANDTE UMWELTTECHNIK GMBH has declined acceptance. In the latter two events, the asserted deficiencies shall be individually listed in the protocol.

11.3 HANDTE UMWELTTECHNIK GMBH is obliged to inspect, notify and reject at least two weeks following identification of the deficiencies.

12. Supplier's liability

- 12.1 The supplier bears the responsibility that the delivered item
- is free from deficiencies which would impact its value or suitability for its designated purpose,
 - meets the warranted properties
 - meets the stipulated performance and specifications
 - complies with all valid laws, regulations and any other provisions.

12.2 Unless otherwise agreed, the period of warranty is two years as from the date of the transfer. The warranty period may be prolonged to compensate for any assembly or repair times.

12.3 Should it become obvious during the period of warranty that the consignment or parts of the delivery do not fulfil their contractual requirements, the supplier is obliged following HANDTE UMWELTTECHNIK GMBH choice to either remedy the deficiency immediately on site or to have the deficiencies remedied at its own cost or to supply HANDTE UMWELTTECHNIK GMBH free of charge a deficiency-free replacement.

12.4 Should the supplier fail to remedy the deficiencies or the matter is urgent, HANDTE UMWELTTECHNIK GMBH is entitled to remedy the deficiency itself or have the deficiency remedied at the cost and risk of the supplier.

12.5 Should the remedy bring no improvement as per Items 12. 3 or 12.4 or if the supplier cannot be expected to remedy the deficiency, HANDTE UMWELTTECHNIK GMBH may at its own choice demand a reduction in payment or a rescission of the contract or reimbursement for the damage it has suffered.

12.6 Should there be difference in assessing the deficiencies, the results of controls or inspections carried out by a test authority recognized by both contractual parties shall be decisive. The costs of this inspection shall be carried by each of the parties at fault.

12.7 The supplier is liable as per the legal provisions for all damage caused to HANDTE UMWELTTECHNIK GMBH or third parties by his delivery or other performances. Should persons suffer injury, or the property of third parties be damaged or other damaged cause by activities or omissions of the supplier and claims brought against HANDTE UMWELTTECHNIK GMBH for this reason, shall be entitled to take recourse against the supplier.

13. Drawings, test certificates and operating regulations

14.1 The supplier is responsible for his delivery even if HANDTE UMWELTTECHNIK GMBH has approved the design drawings. The definite design plans, test certificates, maintenance and operating regulations as well as spare parts lists for proper maintenance shall be given to HANDTE UMWELTTECHNIK GMBH in the demanded number and language at the latest together with the delivery.

Binding copies of drawings, dimensional drawings, patterns etc, shall be supplied to HANDTE UMWELTTECHNIK GMBH with confirmation of order or in accordance with special agreements.

14.2 Drawings, tools, models etc. which HANDTE UMWELTTECHNIK GMBH made available to the supplier shall be properly stored and insured against damage. They remain the property of HANDTE UMWELTTECHNIK GMBH and must be returned when the order has been executed. Should HANDTE UMWELTTECHNIK GMBH place no order, then the supplier shall return the documents unsolicited.

15. Confidentiality, copyrights

The documents given to the supplier as per Item 4 must be returned immediately to HANDTE UMWELTTECHNIK GMBH on request.

The purchaser shall observe the existing copyrights of HANDTE UMWELTTECHNIK GMBH. HANDTE UMWELTTECHNIK GMBH is entitled to the copyrights pertaining to the order.

The supplier shall treat the preparation of an order and/or an order and the associated tasks or deliveries in confidence.

Terms of payment

16.1 Unless otherwise agreed, HANDTE UMWELTTECHNIK GMBH shall settle the invoice at the end of the month stated on the invoice provided that the ordered goods and the accompanying documents have arrived and all further contractual performance has been carried out. The invoice remains subject to one or several counterclaims from HANDTE UMWELTTECHNIK GMBH.

16.2 As a rule, HANDTE UMWELTTECHNIK GMBH makes no down payments. Should such a payment be agreed in exceptional cases, the supplier shall provide, if requested, adequate collateral (e.g. an undisputed bank guarantee) to EKS free of charge.

17. Place of performance

The place of performance for deliveries and other contractual performances shall be the agreed place of destination.

Place of payment shall be the headquarters of HANDTE UMWELTTECHNIK GMBH.

18. Governing law and place of jurisdiction

18.1 The contract and the legal relationship shall be subject exclusively to the law of the Federal Republic of Germany. In the case of international business, any deviations shall require written agreement. The United Nations Convention on Contracts for the International Sale of Goods (so-called Vienna law on the international sale of goods) dated 11 April 1980 shall not apply. Disputes shall be settled before an ordinary court of law, in so far as the contractual parties do not agree to go to arbitration.

18.2 Place of jurisdiction of HANDTE UMWELTTECHNIK GMBH is Tuttlingen.

19. Miscellaneous

Should one of the provisions of this agreement become invalid, this shall not affect the validity of the remaining provisions.

HANDTE UMWELTTECHNIK GMBH