

General terms & conditions for vendors

General terms & conditions of the company FD Waagenbau GmbH
(herein simply referred to as „principal“)

1. Conflicting terms and conditions

The Vendors General Sale Conditions will be stipulated in the contract without our written consent, strictly if they match the terms of these General Terms & Conditions no matter whatever even later time frame they may have been implemented. Conflicting terms and conditions of a vendor will not affect the validity of a signed contract in any way. In case of conflicting terms and conditions the actual law provisions shall apply. These General Terms & Conditions are full and integral part of all contracts entered by our company with its partners, and shall apply also to future contracts, although they may not be explicitly included.

2. Contract Establishment

1. All Principal's offers shall remain valid and binding for maximum eight working days from the date of the order, without prejudice to the right of earlier cancellation.
2. Should the Principal accept a Vendor's offer by ways of a firm order, all the details of the offer like prices, eventual discounts, and binding delivery time shall be included in the order confirmation. No order is allowed to deviate in any way from these Terms and Conditions, and shall be only binding for the Principal if priory approved by the latter in writing.
3. Price offers are not binding for the Principal, and shall be submitted to the latter free-of-charge.
4. The orders, and whatever more clarifications of the Principal shall be finally binding, only if submitted or confirmed in writing by the Principal.

3. Contract Negotiation

1. All prices agreed shall be firm and applicable to the payment of all services and supplies falling within the scope of the reference order, unless a clear reservation of the Principal or a „Price Adjustment“ clause are stated in the contract. All prices shall include packing, and freight to the selected destination. For packaging materials that are returnable and reusable (without prior recycling), the Vendor shall issue a credit note in favour of the Principal for two thirds of the packing price stated in the reference invoice.
2. Drawings, weight, size, performance and operating instructions of the Vendor are to be considered as mandatory and shall comply with the agreed quality.
3. Each order shall be invoiced immediately after shipment and/ or service execution, and the invoice shall be sent off separately from the goods in sets of three copies. In accordance with the provisions of § 14 UStG (German Law on income taxes), the invoice shall contain a clear reference to the number of the purchase order, delivery bill and call off notice, additionally to the date and the name of the contact purchase department. If the Vendor is a corporation as described in the UStG (German Law on income taxes), the Vendor's VAT-Number shall be stated on all invoices. Invoices that are not consistent with the above mentioned requirements will be rejected. Transportation services charged separately to the Principal, will be strictly paid against submission of the corresponding invoices. Without prejudice to all other rights granted to the Principal by the laws on purchase prices/remuneration, the Principal is entitled to a retention right up until submission of a fully compliant invoice in accordance with this clause.
4. Wherever the conditions set forth by the Law of 01.04.2004 on „Reverse Tax Charges“ to §13b, Section 1 of the UStG is applicable, we should be submitted net invoices (without VAT). In this case, the following statement shall be additionally printed on the invoice: „KEIN AUSWEIS DER MEHRWERTSTEUER WEGEN § 13b UStG. STEUERSCHULDNER IST DER LEISTUNGS-EMPFAENGER“ (exempted from VAT-Nr. as per § 13b of UStG. Tax to be paid by the receiver of the goods/services)
5. The Vendor grants the Principal the following options for settlement of the invoices:
 - a) 3% discount for payments within 30 workdays after the receipt of the goods and checked invoice, or
 - b) Full net amount for payments within 90 work days by any method, to the choice of the Principal, or
 - c) Compensation with outstanding amounts payable by the Vendor to the Principal on account of own or assigned rights.

4. Delivery, Documents, Packing

The Vendor is to ship exactly to the given destination address, making sure that the packing/packaging material is suitable for the chosen transportation. The Principal shall supply the Vendor exact packing specifications on request. These packing specifications

and directives are mandatory and should be strictly complied with. For each shipment the Vendor is to issue a packing list containing clear reference to the number of the purchase order and date, as well as a detailed description of the goods shipped/delivered. At the same time, the Vendor is to send the Principal a delivery notice stating the same contents as the packing list. Deliveries by the Vendor or other thirds acting on behalf of the latter may be strictly handed over during the Principal's business time (Mondays-Thursdays, 08:00 am - 03.30 pm, and Fridays from 08.00 am until noon).

The Principal may reject the delivery of the goods in case of a major force occurrence, or any other event outside of the Principal's control, including but not limited to industrial/labour disputes that prevent or strongly impair the taking over of the goods by the Principal. In any such case, the Vendor is to retain and stock the goods at own cost and risk for as long as it may be needed.

5. Risk bearing

The Vendor shall bear all delivery risks up to the handover of the goods at destination (place of use). This is also true for possible ex-works deliveries, or shipments organized and executed by the Principal at own cost.

6. Warranty

1. Eventual claims shall be raised and notified by the Principal within 2 weeks from the finding of the respective problem/fault.
2. A basic, standard warranty of 30 months shall be granted from the date of taking over of the goods by the Principal.
3. For used equipment, the provisions of Point 1 - 3 shall apply.
4. The Vendor undertakes to warrant quality/workmanship and durability/life in accordance with § 443 of the German Civil Code.
5. The Vendor warrants that the delivery/use of the goods/services, infringes no other rights of thirds, and more particularly no industrial property or invention rights.

7. Liability

The Vendor is liable in accordance with the applicable statutory provisions, in particular for wilful negligence, and lack of due care. The compensation for this type of liability cannot be limited.

8. Orders for service performance, provision of materials, drawings, and samples

1. For assembly, maintenance, and building services, the Vendor is to ensure accurate, and flawless execution of the works in compliance with the provisions of the respective trade associations. The Vendor shall be responsible and liable for each and every damage caused by itself, or its representatives, assistants or vicarious agents (with secondary liability). Moreover, the Vendor shall hold the Principal free from any responsibility and liability inter se relative to eventual claims for indemnifications, and consequential damages incurred by the Principal in the framework of its contract obligations, deliveries, or services.
2. If the Principals consigns any materials to the Vendor on account of the execution by the latter of any purchase order of the former, these materials shall throughout remain an exclusive property of the Principal. The Vendor is to mark, and confine any such consignment in a separate place in its warehouse, in order to prevent any mixing /gathering with other materials. The Vendor is obliged and commits to using any consigned materials strictly for the production of the contract goods. If a retained property of the Principal is lost because or during the fabrication/ production steps, the Vendor herein commits to transfer the Principal its own possession rights for the finished products. Furthermore, the Vendor is to promptly report the Principal in writing about any suspected, alleged, or already taken seizure action, as well as any other instance likely to impair any right of the Principal (indicating all data and information needed by the Principal to implement an effective protection of its rights). Any non-compliance or infringement of any of the above provisions, shall entitle the Principal to claim appropriate indemnification for all resulting damages by the Vendor. The Vendor is additionally to insure all materials consigned by the Principal, and bear all costs for insuring their brand-new market value against the normal risks. The Vendor herein agrees and undertakes to endorse the Principal each and every insurance claim resulting from the occurrence of an insured event.

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3. If special tools like dies, moulds or similar items are needed for the production, and partly or fully charged to the Principal, they will be and remain a property of the Principal. Drawings, specimens, samples and whatever else is provided by the Principal, shall remain a property of the Principal. They as well as goods produced on the basis of these may not be provided to third parties or used for advertising purposes without the approval of the Principal. They may be strictly used for the drawing up of an offer, and the execution of the respective supply orders, but shall be returned to the Principal immediately after the order has been delivered. The Vendor is to keep them well and safe, ensuring their good conditions so that they are always suitable for use. The Principal may request the Vendor to provide updated versions as soon as they are released. Failure of the Vendor to meet these obligations shall give the Principal the right of claiming for damages and indemnification thereof.

9. Scope of delivery

1. In the absence of a formal order confirmation by the Vendor, the Principal's supplies shall be fully compliant with the product type, quantity and scope reported on the respective purchase orders.
2. Eventual drawings and specifications etc... attached to the purchase orders are binding, and mandatory for the Vendor that is responsible for checking them, identifying possible inconsistencies, and in this case notifying the Principal immediately. The overall exclusive responsibility for the drawings, plans, calculations, and any other document issued by the Vendor, belongs solely to the Vendor even if they were priory approved by the Principal.
3. Unless more and stricter requirements are contained in the purchase order, the scope of supply must be of a normal market quality and compliance with the requirements of the DIN, VDE, VDI, DVGW Standards, and any other applicable Norms and Specifications. All supplies are to be manufactured and equipped, so that they fully match the law requirements applicable at the place of execution as of the delivery date, and more specifically those with technical production facilities, dangerous materials, accident prevention, emissions, health & safety at the place of work, as well as the relevant safety and ergonomic concepts. For road vehicles and equipment, the Vendor is additionally responsible for compliance with the requirements for homologation/ license. The Vendor is also committed to full compliance with the applicable law provisions on User's Handbooks, Operation and Maintenance Manuals, and other technical literature, a complete set of which shall be handed over with the goods. A set of three copies of the operating and maintenance instructions, spare part lists, data sheets (with technical data and dimensions), flyers and leaflets (all in German language) shall be promptly submitted to the user against order confirmation. The production number of the reference equipment shall be marked on each document.
4. Weighments shall be based on the income weights produced by the Principal's weight managers on their in-house weighers. Should no weighing be possible at the destination, the applicable weights will be the ones stated on the delivery bill, or measured on a public weighbridge for truck deliveries. If weighing is not possible at the delivery destination, the Vendor is to provide certified evidence of the construction weight.

10. Lead time

1. The agreed lead times are mandatory and firm.
2. The delivery day shall be accounted as the day when the goods are ready along with the required shipping documents, or when the requested services and the respective acceptance documents are handed over and signed at the predefined place of destination.
3. If a delivery is expectedly to be delayed, the Vendor is to promptly inform the user of the reasons why, and the probable length of time over which delivery will be deferred. Regardless of whatever reason and length, any delay in shipment of an order shall trigger legal, default consequences, even if the delay is statly caused by reasons of major force at the Vendor's, or resulting from any industrial or labour disturbance out of Vendor's control. If a delay is likely to effect the successful execution of the contract, the Principal may partly or fully withdraw from the contract, even if the Vendor has no fault or responsibility.
4. The Principal has the right of changing the delivery time and destination, eventually also after the Vendor has sent an order

confirmation, as long as the change causes the Vendor no additional (extra) costs and efforts.

11. No Assignment, Execution Place, Jurisdiction

1. The Vendor may not transfer, or assign to third parties, or otherwise pledge its contract obligations, or payment rights under the contract with the Principal neither in parts nor in whole, unless prior written approval has been given by the Principal.
2. The place of delivery is the destination address stated in the Principal's purchase order. The place of payment and jurisdiction may be either Gera or the Court of the Vendor at own discretion of the Principal, if so allowed under § 38 of the German Code of Civil Procedure (ZPO).

12. Compliance and code of conduct

1. In accordance with the EC Directives No. 2580/2001 and 881/2002, the Vendor warrants of having no business relationships with enterprises, companies, financial institutes, organisations, and persons, who are listed in any EC or US International Sanction List. This also applies to the Vendor's branch offices, subsidiaries, and participated companies of other thirds in the country, or abroad. Should the Vendor fall within the scope of any sanction list and the related investigations, AG may immediately terminate the contract and any eventual prior agreement with AN without notice, and discontinue all present business relationships at once.
2. The Business Code of Conduct is part of the contracts and must be mandatorily complied with.

13. Advertisement/ Public Relations

Any use of corporate signage/ advertisement is to be priory discussed and defined with the Principal, and should be mutually planned with the latter.

Any kind of public relations whatsoever involving either the project or the materials/goods used, must be priory and explicitly approved by the Principal.

14. Partial invalidity

If any of these Terms and Conditions should lose validity partly or fully for any reason whatsoever, this shall not affect the remaining other terms. In such a case, the statutory provisions shall apply.

15. Governing Court/ Applicable law

In addition to the laws of the Federal Republic of Germany, the contracts and their execution are exclusively ruled by the Law of the German Republic. The Governing Court is the one in Gera.