

General Terms and Conditions of Purchase of PINK GmbH Thermosysteme

as of: January 01, 2016

1. General

1.1 Deliveries and services delivered to us are subject to our conditions of purchase exclusively. No other conditions are part of the contract. Our purchasing conditions apply, even if upon continued business relationship the validity of our conditions of purchase is not pointed out separately with any further deliveries and services.

1.2 Changes in and additions to the contract and this clause must be in writing. The supplier may only invoke ancillary agreements that are made before and upon conclusion of the contract when we confirm them in writing. Statements given by members of our staff are only binding to us when we confirm them in writing.

1.3 We are entitled to save the necessary data electronically for the purpose of the implementation of the contract.

2. Shipment, delivery times / dates, delay, risk

2.1 Packing, shipping and insurance of the goods is on behalf and at the risk of the supplier. The supplier ensures at his own expense for the return of used packaging. Each shipment must be accompanied by a delivery note (in duplicate). The supplier must provide us with a written notice of dispatch on the day of dispatch.

2.2 Agreed delivery dates and times (deadlines) are binding and must be strictly observed. The supplier may invoke the lack of raw materials and supplies and default or supply by his suppliers only if this is not attributable to him/her, and if he/she notified us prior to the conclusion of the contract about such a possible risk. Once it is apparent to the supplier that there may be delays in delivery, he must announce this instantaneously. This does not affect the binding nature of the agreed delivery date.

2.3. If the supplier is in default, we are entitled to claim as a penalty for each commenced week of delay 0.5%, but not more than 5% of the order value. The penalty shall be applicable even if we do not reserve the right to do so upon acceptance of performance. Our right to assert further damage is not excluded by the contractual penalty.

2.4 Risk passes to us once the delivery has been duly supplied to our factory.

3. Prices, invoicing

3.1 Supplier prices are maximum prices free to our works. They include the cost of freight, customs, packaging, insurance, fees and VAT. Subsequent price increases by the supplier are excluded. Also excluded are claims for remuneration of the supplier's offers or samples.

3.2 Supplier invoices are to be sent to us in duplicate and separated from the deliveries. We can pay within 14 days after receipt of invoice and goods free from defects with 3% discount or within 60 days, without deduction.

4. Condition, acceptance, warranty claims

4.1 In addition to the criteria specified in the delivery contract, offer and / or order confirmation the condition of the relevant contractual products / services shall be determined by the information available to us, provided by the supplier in his brochures, catalogues and other documents and advertising, as agreed. With regard to the agreed condition, the contractual products / services have further to meet the relevant legal, regulatory and technical (DIN standards, EC Directives etc.), state of the art, masterful workshop working, and intended use requirements and the required product safety. The supplier guarantees us that specifications laid down in sentence 1 of this clause are true and that the contractual products / services comply with the criteria set out in sentence 2.

4.2 The supplier must carefully perform quality and outgoing goods inspection in accordance with the standard DIN ISO 9001, comprising product safety and environmental performance aspects. He is liable for the delivery of quality-controlled contract products / services.

4.3 Acceptance, approval and / or payment of the contractual products / services by us shall not constitute recognition of their faultlessness but are always subject to the examination of quality and quantity. With regard to (the foregoing) paragraph 4.2, our incoming goods inspection covers the inspection of visible (faults) defects or obvious variations in quality and quantity. Such defects will be reported immediately. Furthermore we report defects as soon as they are detected in the ordinary course of business. The supplier waives the objection of delayed notice of defect if this is reported later than one week after discovery of the defect.

4.4 In case of urgency, despite reporting defects in the contractual products or damage resulting thereof is not immediately remedied by the supplier or if the supplier is in default with the fulfilment of his obligation to subsequent performance, we can remedy the defects / damages or have it remedied by third parties at the expense of the supplier.

4.5 If contractual products / services of the supplier are deficient we may decide in our sole discretion for replacement by the supplier or for redelivery by the supplier. The supplier thereby reimburse us for any costs incurred by us due to the fact that defective contractual products/services of the supplier are built in machinery or resold by us in any other way to our customers, and for disassembly and assembly costs and transportation and handling costs in connection with warranty claims.

4.6 Our claims for defects expire at the earliest 3 years after delivery to us, subject to longer statutory limitation periods.

4.7 Any limitation of liability in general Terms and Conditions of the supplier is ineffective.

5. Product safety, product liability, environmental friendliness

5.1 The Supplier guarantees that the contract products and / or services are fit for their intended use or foreseeable use other than the intended, or consumption, and are safe and not dangerous in terms of product liability provisions and cause no unacceptable environmental impacts. The Supplier shall take all necessary organizational, personnel and technical security measures.

5.2 In the event that certain claims for damage are raised by our customers or third parties in connection with unsafe or environmentally unacceptable contractual products and / or services, the supplier - in the internal relationship - indemnifies us and holds us harmless, if and insofar as such damage is attributable to him. Our claim to indemnification is subject to the statute of limitations rule.

5.3 If and insofar as the defect causing the liability is attributable to the supplier, he has to bear the costs of necessary measures taken by us to prevent damage (e.g. recalls).

5.4 The supplier has to seek insurance against liability associated to the risks of the contractual products and / or services, in a reasonable amount, and to provide us with a valid proof of insurance coverage.

6. Disposal

The supplier undertakes to observe all requirements and regulations regarding environmental protection and waste disposal in the process of production and delivery of contract products. In particular, the supplier ensures that the contractual products are disposable in a segregated way by marking the materials accordingly.

7. Spare parts

The Supplier warrants us to keep for us spare parts at competitive prices for the expected life of the contract products, but at least for 5 years from delivery date.

8. Industrial property rights, confidentiality, molds and tools

8.1 It is the responsibility of the supplier that the use or distribution of the contract products / services is permitted without violating the rights of others. The supplier shall indemnify us against any legal claims by third parties for violation of such third party rights.

8.2 We reserve all intellectual property rights and copyrights for all constructions, molds, tools, samples, diagrams and other documents provided by us. The supplier may use these constructions etc. only in the intended manner, and he must return them to us when he no longer needs them.

8.3 The supplier shall keep secret from third parties all trade secrets and particular expertise, obtained in the course of the business relationship.

8.4 Tools, molds or other equipment which are produced by the supplier fully or partly at our expense shall become our property automatically; whereas such a transfer shall be replaced insofar as the supplier holds the objects free and carefully for us until the termination of the supply relationship.

9. Minimum wage

The supplier guarantees - and he is liable to us - that he meets all requirements of the Minimum Wage Act - if applicable - and that his workers are paid minimum wage or higher. The supplier ensures this even with regard to his obligations as a subcontractor or as subcontractor within a subcontractors' chain.

10. Place of Performance, Jurisdiction, Applicable Law

The place of fulfillment is our legal domicile in Wertheim. The place of jurisdiction is either Wertheim / Mosbach or the courts responsible for the customer's legal domicile, as we may choose. The applicable law is German law, but application of UN sales law (CISG) is barred.

PINK GmbH Thermosysteme