

General Terms and Conditions of Purchase

1. Conclusion of the Contract

- 1.1. Purchase orders shall be issued exclusively on the basis of these General Terms and Conditions of Business. Any different standard or other terms of the supplier, which are included in its quotation and/or its order confirmation, will not be accepted.

Any purchase orders, agreements, modifications/changes, verbal ancillary agreements as well as any conditions of delivery and payment, which differ from these terms and conditions, shall only be binding when they are issued and/or confirmed, in writing, by the customer.

The correspondence shall be with the ordering purchasing department. Only this purchasing department shall be authorized to issue legally binding statements visàvis the supplier.

- 1.2. The supplier shall confirm acceptance of the relevant purchase order within a period of ten (10) days from the date of the purchase order. In the event that the supplier confirms such purchase order with deviating conditions, any silence on part of the customer shall not be construed as consent.
- 1.3. With the confirmation, the supplier unconditionally accepts these General Terms and Conditions of Purchase. Any conditions differing from the contents of the purchase order shall be effective only if they are confirmed, in writing, by the customer. Any conditions of delivery and performance of the supplier shall not bind the customer, even if such terms are not rejected.

2. Prices

- 2.1. The price agreed for the ordered goods as well as for any other services shall be a fixed price, is considered to be free of place of fulfillment specified by the customer, and shall include any packing and freight costs. Any transportation insurance premiums will not be reimbursed because we are self-insurer.
- 2.2. In the event that a price "ex factory" or "ex warehouse" has been agreed, the customer will pay only the most favorable freight charges. Any expenses arising until the goods are delivered to a carrier shall be paid by the supplier.

- 2.3. In the event that, exceptionally, a remuneration has been agreed for the packaging, the supplier shall credit 2/3 of the calculated value of the packaging to the account of the customer when such packaging is returned (carriage paid) to the place of dispatch. The customer may also deduct the value from the amount of the invoice.

- 2.4. The shipment shall be for the account, and at the risk, of the supplier. Place of fulfillment and performance for all deliveries and services of the supplier shall be the respective place of fulfillment of the customer. Upon the acceptance of the shipment or of the service at the place of fulfillment, the risk of and incidental destruction and/or an incidental deterioration shall pass to the customer.

3. Delivery Time

- 3.1. The dates of delivery, which are specified by the customer, shall be binding.
- 3.2. In case of late deliveries or late performance of services, the customer shall be entitled to assert all legal claims arising from such delays.
- 3.3. In the event that the supplier recognizes that he cannot meet the dates of delivery and/or of performance, he shall promptly notify the customer.
- 3.4. On the date of the relevant shipment, a copy of the delivery note – serving as a shipping note – shall be sent by post. The original documents shall be enclosed to the goods.

4. Rights of Third Parties

- 4.1. The deliveries shall be made without reservation of title and without any other restrictions.
- 4.2. Any rights of third parties to the goods to be delivered shall be disclosed to the customer without the customer having to ask for such information.

5. Warranty

- 5.1 The supplier warrants that its goods and services have the contractually agreed characteristics and features and correspond to the state of the art as well as to the relevant statutory provisions and the safety regulations of the competent professional associations, supervisory authorities, trade associations, and similar bodies. The regulations on the prevention of accidents and occupational safety as well as on safety & security technologies and pollution control shall be observed. The supplier shall be responsible for the compliance with these regulations and, if such obligations are not met, for the arising damages.
- 5.2 The obligation of the customer to inspect goods and services and to send, if required, a notice of defects shall only commence when the goods are received at the specified place of destination and the shipping documents are available. Concerning any other services, such obligation shall commence only upon the acceptance of such work performance & service.
- 5.3 The supplier expressly waives the plea of late notices of defects.
- 5.4 The statutory warranty claims shall be due to us without any restrictions. Irrespective of this, we shall be entitled to demand of the supplier, at our discretion, elimination of defects and replacement. In such case, the supplier shall be obligated to pay all expenses required for the elimination of defects or replacement. The right to damages and, in particular, to damages instead of performance shall be reserved explicitly. Any periods and respites shall start again after an elimination of defects or replacement.
- 5.5 The customer shall be entitled to eliminate, at the expense of the supplier, the defects by itself if where delays could be dangerous or in cases of special urgency.
- 5.6 The incoming shipments shall be inspected in accordance with the test plans and, if applicable, in accordance with the drawings of the customer. In the event that the determined number of defects exceeds the number of defects specified in the sampling plan of the customer, the entire shipment will be rejected and charged back. Such shipment shall be taken back by the manufacturer. The costs incurred for the inspections and the return shall be billed to the manufacturer.

- 5.7 Any changes in the type of the composition of the processed & machined materials or in the design compared to similar shipments or services, which were previously performed for the customer and which occur prior to the start of production or prior to the performance of the service, shall require the written consent of the customer.
- 5.8 The period of limitation shall amount to twentyfour (24) months and shall start upon the acceptance of shipment and service unless the statutory periods of limitation are longer.

6. Liability

The liability of the supplier shall be in accordance with the statutory regulations. As far as the supplier is responsible for product damages, the supplier shall be obligated to indemnify the customer at first request to the extent that the cause was under its control and it is organizational sphere.

In this framework, the supplier shall also be obligated to reimburse any expenses in accordance with §§ 683, 670 of the German Civil Code, which arise from, or in connection with, a recall carried out by the customer, as far as the claim is not based on §§ 830, 804 in connection with §§ 426, 254 of the German Civil Code.

The customer shall be liable for the breach of contractual and non-contractual obligations, i.e. even those committed by its executives, only in the case of intent and gross negligence. This is limited to damages typical for the contract, which are foreseeable at the conclusion of the contract.

However, these limitations shall not be applicable in the event of a culpable breach of essential contract obligations.

7. Cancellation

In the event that a change occurs in the essential circumstances that are relevant to the conclusion of the contract and such change takes place through no fault of the customer and before the contract is performed by the supplier, the customer shall be entitled to demand that the contract will be performed at a later period of time than the period, which was agreed, or to withdraw from the contract in whole or in part.

8. Drawings and Tools

8.1 As far as drafts, drawings, or tools are required for the fulfillment of purchase orders, a written release by the customer shall be required. The supplier shall be obligated to discuss – based on the drawings – the design and conception of the tools together with the customer.

Such discussion does not limit the supplier's responsibility for the proper fulfillment in accordance with the contract. This also applies to the warranty and guarantee obligations of the supplier with respect to the articles of delivery as well as to suggestions and recommendations of the customer unless expressly agreed otherwise.

8.2 Following the performance of the works and/or following the completion of the constructions, the corresponding tool drawings and technical documents shall be sent, free of charge, to the customer, at the latest until the date of acceptance, and the ownership shall be transferred to the customer.

The customer shall be informed immediately of any changes, which are performed by the supplier after the acceptance. Without the written consent of the customer, any drawings, tools, samples and other documents and/or articles must not be used beyond the contractual purpose and/or must not be disclosed to any third party.

These shall remain the property of the customer and shall be promptly returned to the customer after the completion of the order.

8.3 The supplier shall service, maintain and protect the articles and documents owned by the customer and insure them adequately.

9. Invoices and Payments

9.1 Any invoices shall not be enclosed to shipments. Instead of this, they shall be sent separately broken down by shipments and for each purchase order by specifying the purchase order number.

9.2 The payment shall be made with currency selected at our discretion. Such currency shall be the fulfillment of the consideration owed by the customer.

9.3 Payments are due net within a period of sixty (60) days (or as agreed) following the actual delivery and/or acceptance of the service and the receipt of the invoice. Payments are executed on the 1st and on the 15th of each month. If one of these days falls on a weekend or a public holiday, the payment will be executed the next working day.

9.4 Any payments made by the customer do not mean an acknowledgement of the invoice or of the proper and perfect shipment and/or service in accordance with the contract and are therefore expressly made under the reservation of a corresponding examination to ensure their accuracy and regularity.

10. Assignment and Setoff

Without the written consent of the customer, the supplier must not assign, to a third party, any claims on the customer arising from its shipments. The setoff against counter-claims of the supplier, which are disputed by the customer or which are not final and absolute, is not admissible. The same applies to the assertion of a right of retention.

11. Proprietary Rights

11.1 As far as industrial property rights exist in connection with the delivered goods, the supplier transfers to the customer – together with the shipment – the unlimited right of use of such rights as far as this is required for the proper use of the goods under the contract.

11.2 The supplier shall indemnify the customer and its customers against any claims, which are asserted by third parties against the customer because of a breach of proprietary rights or copyrights of the delivered goods. The supplier undertakes that it will reimburse the customer for the damages arising from this.

12. Master Contracts and Call Orders

The above terms and conditions shall also apply to master contracts and call orders unless agreed otherwise in individual cases. The customer shall be entitled to withdraw from master contracts and call orders if the goods supplied and/or the services performed for the individual call orders do not comply with the agreed quality requirements and / or the agreed performance.

13 Compliance with Laws Supplier warrants that

- (a) it, its personnel and Sub-Tier Suppliers will comply with, and conducts its operations in accordance with the applicable laws of the country having jurisdiction over the location where the Services and Work are performed, and Goods are delivered;
- (b) all of Supplier's personnel performing Services under this Agreement are authorized to work in the country having jurisdiction over the locations where the Work is performed, and Supplier will ensure that any legally-required verifications of employment eligibility and identity are performed; and
- (c) it has and will comply with the U.S. Foreign Corrupt Practices Act, UK Bribery Act, EU and similar anti-bribery legislation or requirements applicable in the location(s) where the Work is performed.

Supplier will indemnify and hold harmless Honeywell from and against any and all loss, cost, expense (including reasonable attorney and professional fees), claims, damage, or liability arising out of or resulting from or occurring in connection with Supplier's breach of this Section."

14. Place of Jurisdiction, Applicable Law, Supplementary Regulations

- 14.1 Place of jurisdiction shall be Wiesbaden, Germany. However, the customer can also sue the supplier at its general place of jurisdiction.

In addition, only the authoritative law of the Federal Republic of Germany shall apply to the legal relationships of domestic parties by excluding the UN Convention for the International Sale of Goods.

In the event that individual provisions of these General Terms and Conditions of Purchase are invalid in full or in part, the effectiveness of the remaining provisions shall remain unaffected. The contracting parties shall replace the invalid regulation by a regulation coming as close as possible to the intended success of the business transaction.

Attention:

In case of repair, assembly, and installation activities, the safety regulations displayed in the plants shall be observed.