

**1. General**

Terms and conditions of sale and delivery or general terms and conditions of the Supplier which are in conflict with these conditions of purchase shall not be binding on us, even if the Supplier renders them applicable on adoption and if we do not explicitly reject their content. This shall also apply if the Supplier excludes this in his conditions. Also in the acceptance of service by us, no tacit recognition of deviating terms exists. Ancillary agreements as well as alterations and additions to the contract and our conditions of purchase shall only be valid if they are confirmed by us in writing. Should individual provisions of these conditions of purchase be deemed ineffective, the remaining clauses shall nevertheless retain validity. Regulatory gaps shall through interpretation close what should happen on the basis of the purpose and meaning as well as the economic objective of our conditions of purchase. As a substitute, statutory provisions shall apply.

**2. Contract Conclusion and Contract Amendments**

We shall order on the basis of these conditions of purchase. These conditions of purchase shall also apply to any future business relations, even if these are not expressly agreed. Other provisions shall not be a component of this contract, even if we do not expressly object to them. Each order shall be confirmed immediately and within the timeline stipulated by Tensometric, stating our order date, the binding delivery deadline and a binding fixed price. Should the Supplier not accept the order within two (2) weeks of receipt, we shall be entitled to revocation. Delivery requests within the scope of a framework order or schedule planning shall become binding if the Supplier does not object within two (2) working days from receipt. Contracts of all types as well as their alterations and additions shall always require the written form. Verbal agreements shall only be binding on Tensometric if they are confirmed by Tensometric in writing. Unless otherwise agreed, no remuneration or compensation shall not be paid for visits or the preparation of offers, projects etc. Should our order affix drawings or technical specifications, the Supplier shall review these for compliance and shall immediately inform us in the event of any discrepancies.

**3. Prices, Invoicing, Payments**

The acknowledged price listed in the order shall be binding. Unless no specific agreements have been reached, the price shall be stated free at the place of acceptance, and inclusive of packaging and insurance. If the price is ex works or ex warehouse of the Supplier, delivery shall be carried out at the lowest possible expense, unless Tensometric has prescribed a specific mode of dispatch. Additional expenses incurred by not observing forwarding instructions shall be borne by the Supplier. Invoices which do not state our order number shall not be processed. For rejected invoices, the date of receipt of the corrected invoice shall be decisive. Unless not otherwise explicitly agreed, payments on the side of Tensometric shall occur within fourteen (14) days from receipt of delivery or performance of the service and following receipt of the invoice less a 3% discount from the net invoice amount or within 30 days net, respectively at our discretion. Payment shall be made subject to invoice verification. Insofar as defects in the goods or service are not completely removed, Tensometric shall be entitled to retain the invoice amount up to the full amount. In the event of a delivery made earlier than agreed upon, the payment period shall initially begin with the day on which the delivery/service would have been. If, in exceptional cases, no prices have been indicated, the Supplier's list prices on the date of the order shall apply with the abovementioned discounts. Each shipment shall take place exclusively at the risk of the Supplier. This risk as well as the risk of deterioration, inclusive of accidental destruction, shall remain exclusively with the Supplier up until contractual delivery to the desired delivery address or place of use of Tensometric. The Supplier's obligation to take back packing material shall be in accordance with the statutory provisions. In this respect, the Supplier shall bear all costs for the storage, return transport and disposal.

**4. Delivery**

Scheduled delivery dates shall be binding. Receipt of the goods at the receiving location or point of use determined by Tensometric shall be decisive for adherence to the delivery date or delivery period insofar as the delivery occurs at the time agreed in the contract, or Tensometric confirms the delivery as provided in a timely manner. Should the Supplier recognise that the agreed date, for whatever reason, cannot be adhered to, the Supplier shall immediately inform Tensometric of this in writing, including the reasons and duration of the likely delay. Should this not occur immediately or this delay is not acceptable from the perspective of Tensometric, Tensometric shall be entitled, without giving reasons, either to withdraw from parts of the agreed delivery or to withdraw entirely from the contract without any claims being derived on the part of the Supplier. Prior to notification of withdrawal, Tensometric shall only then be required to set a reasonable grace period for the service or rectification, if no delivery date was agreed. Tensometric shall furthermore be entitled to declare withdrawal prior to the performance due date if it is apparent that the prerequisites therefor will

occur. If the time limit is exceeded, we shall be entitled to charge a lump-sum amount equal to 1% of the invoice amount as a penalty, but at the most an amount equal to 10% of the total value of the order, unless the Supplier proves that a lesser damage has occurred on our part. The assertion of further damage shall remain unaffected on our part.

The acceptance of delayed deliveries/services shall not entail the waiver of indemnification claims. In the case of early delivery, Tensometric shall be entitled to either return the goods at the Supplier's expense or to store the goods until the agreed delivery date at the risk and expense of the Supplier. Tensometric shall only accept partial deliveries following explicit agreement. In the case of agreed partial deliveries, the outstanding quantity shall be stated in writing upon delivery. For quantities, weights and measurements, the values determined by Tensometric at the incoming goods inspection shall be decisive, subject to any other proof.

Surplus and short deliveries shall only be possible, irrespective of the Tensometric's rights based on liability for defects, with written consent. The same shall apply for an alteration to the manufacturing location or manufacturing process. If the Supplier has taken on the installation or the assembly and it has not been otherwise agreed, the Supplier shall bear, subject to differing arrangements, all necessary ancillary costs, such as travel expenses, the provision of tools and allowances. For software belonging to the supplied product, including the appurtenant documentation, we shall have the right of use within the scope permitted by law (§§ 69a of the UrhG [German Copyright Law (Urheberrechtsgesetz)]). For such software, including the appurtenant documentation, we shall also have the right of use for the agreed features within the scope necessary for the contractual use of the product. We may also, without explicit agreement, create a backup copy.

Delivery shall only occur on working days between 08:00am and 15:00pm, and on Fridays up until 14:00pm. Deliveries occurring outside of these timeframes shall require written approval by Tensometric. Unless otherwise agreed to in individual cases, deliveries occurring after the 15th December in a calendar year shall be rejected and only accepted in the following calendar year.

**5. Liability for Defects**

**5.1 Guarantee**

The Supplier guarantees that all components delivered by him and all services rendered by him correspond with the most recent prior art, the relevant legal provisions and the prerequisites and guidelines of authorities, professional and trade associations as well as EU standards. All product features shall be determined according to EU standards and material data sheets respectively as well as other standards explicitly agreed with Tensometric in writing. Insofar as no EU standards and material data sheets exist or have no further validity, the corresponding DIN standards shall apply, lacking which the usual trade standards shall apply insofar as these do not fall short of the most recent prior art. Content and scope of the technical documents shall be determined according to the EU directives and EU member states in which the product will be sold. References of the Supplier to standards, material data sheets or work test certifications as well as information on quality, dimensions and application shall be explicitly guaranteed to Tensometric by the Supplier.

**5.2 Deviation, Concerns**

If deviations from these provisions are required in individual cases, the Supplier shall, for this purpose, obtain written agreement by Tensometric in a timely manner. The contractual obligations of the Supplier shall not be affected by such an agreement. If the Supplier has concerns regarding the type of execution desired by Tensometric, the Supplier shall immediately communicate this to Tensometric, stating the reasons therefor.

**5.3 Defects**

Tensometric shall not be obliged to examine the goods or opening the packaging. Through payment of the invoice, no acknowledgement shall in this respect be expressed that the ordered goods are complete and free from defects, claims for defects as well as the right from delayed delivery shall not be waived. All quality, quantity and dimensional differences shall be deemed as concealed defects and shall oblige the Supplier to liability for defects, even if such defects are initially determined by the end users of Tensometric. In this respect, the Supplier shall waive the objection of the delayed notification of defects.

**5.4 Claims for Defects**

Tensometric shall be entitled, in cases of deficiency and unauthorised partial delivery, to demand rectification by the Supplier either by the delivery of a defect-free item or the elimination of the defect. The Supplier shall bear all expenses required for supplementary performance. This also

includes amongst others, transport, road, labour and material costs as well as costs of sending and returning. In the event that subsequent fulfilment fails, Tensometric shall also be entitled to demand further subsequent rectification. The Supplier may only refuse the type of subsequent rectification chosen by Tensometric if it is possible only at disproportionate expense. In this case, the claim shall be restricted on the part of Tensometric to the other type of rectification if the Supplier provides Tensometric with evidence of the disproportionate expense. Should the Supplier negligently fail to honour his obligation to subsequent performance within a reasonable period to be stipulated by Tensometric, Tensometric shall be entitled, at the expense of the Supplier, to make the replacement purchase or to remedy the deficiency themselves or otherwise, at the expense of the Supplier. Tensometric may in addition reduce the price unless a reduced value also remains hereafter. Claims of damages on the part of Tensometric shall remain unaffected.

#### 5.5 Warranty Period, Limitation Period

The warranty period shall, at the earliest, begin with the date of transfer of the goods to Tensometric or to Third Parties specified by Tensometric or to the specified receiving location or point respectively, unless no later date is explicitly stated. The warranty period amounts to three (3) years from this date, but five (5) years from this date if it concerns delivery items which were used in accordance with their customary purpose for a construction and which causes the defectiveness thereof. The existing provisions shall also apply for the delivery of replacement components. If, within the framework of rectification, components are delivered or repaired, general provisions shall apply for the recommencement of the regulated limitation period or it's suspension.

#### 5.6 Statutory Provisions for Warranty Rights

Except as otherwise expressly provided, statutory provisions shall otherwise apply, or as a substitute.

#### 5.7 Product Liability, Recall Costs

If claims are made against us due to violation of official safety precautions or because of domestic or foreign product liability regulations or laws due to a defectiveness of our product that was caused by a commodity of the Supplier, we shall be entitled to demand from the Supplier, at our choice, either compensation for this damage or indemnity to the extent that the damage was caused by the products supplied by the Supplier. This damage shall also include the costs incurred by a precautionary recall campaign. The Supplier shall undertake to obtain, at his own expense, an appropriate product liability insurance with sufficient coverage. The insurance policy shall be provided to us upon request. Should Tensometric be entitled to make further claims, these shall remain unaffected.

#### 5.8 Quality Assurance

The Supplier shall be obliged carry out a quality assurance that is suitable in type and scope and corresponds to the latest prior art, and provide evidence of this on demand. The Supplier shall conclude a corresponding quality assurance agreement with us, insofar as we deem this necessary.

#### 6. Patents/ Intellectual Property Rights

The Supplier shall at all times during and subsequent to the term of this contract indemnify us and our customers from all damages and costs (inclusive of loss of profit, withdrawal applications, downtimes, contractual penalties, legal fees etc.) which may result for us or our customers, wherever in connection with the use or sale of the components delivered by the Supplier due to violations of patent, registered designs, copyright, trademark or other similar property rights infringements, and we and our customers shall immediately be compensated in full for all costs and damages incurred as a result. Should claims be raised against our customers or ourselves due to patent violations etc., the Supplier shall be informed hereof with the request that all measures necessary for suppression thereof shall commence immediately, at the expense of the Supplier. We shall be entitled to demand securities from the Supplier for expected expenses and damages. Should we therefore be prevented, as a consequence of the claim, from using or selling any of the components delivered by the Supplier, and should the Supplier not be in a position to provide ourselves with a right of use from the holder of the property rights, the Supplier shall immediately provide a similar agreed replacement which does not violate any property rights or, upon our request, shall alter the delivered items in a manner which eliminates the infringement.

#### 7. Tools, Moulds, Provision of Materials

Tools, moulds and materials provided by us to the Supplier shall remain our property. These shall only be used for their intended purpose. The Supplier shall, at our request, be obliged to issue the tools, moulds or materials to us or to other Third Parties commissioned by us if the Supplier has not fulfilled his contractual

obligations to us, or the Supplier is no longer obliged to fulfil said obligations. The Supplier's right to retention of the tools, moulds and materials shall be excluded. The risk of destruction, damages and loss of tools, moulds and materials provided shall pass to the Supplier upon delivery.

#### 8. Origin of Goods, Preferences, Provisions in International Merchandise Trade

Upon request, the Supplier shall be obliged to provide a long-term supplier declaration for all articles delivered by him to Tensometric in which he confirms the statutory preferential status of the goods ("goods with European Union preferential origin properties" or "goods without European Union preferential origin properties"). The Supplier shall be liable for any damage caused by non-observance of such commitment by non-compliant declarations issued to Tensometric. The Supplier shall be obliged to check his products to see if they are subject to bans, restrictions and/or authorisation requirements with regard to the international movement of goods (e.g. with respect to the export list, dual-use ordinance, US reexport regulations etc.) and, if necessary, to appropriately and unequivocally indicate this with understandable details in his offers, order confirmations and all documents accompanying the goods. If this obligation is not complied with, the Supplier shall be liable for the resultant damages suffered by Tensometric, including additional charges payable on foreign import duties, fines and similar penalties. Clarification of the labels of origin: T = Third Country / E = EU [European Union] / F = EFTA [European Free Trade Association Country]

#### 9. Obligation to Maintain Confidentiality

The Supplier shall be obliged to handle confidentially all commercial and technical details, which are not public knowledge, that become known to him in the course of the business relationship, and not to divulge the same to any Third Parties. The Supplier shall also obligate his subcontractors accordingly. Our information concerning the manufacture of items ordered by us as well as drawings manufactured according our information and our own drawings shall neither be further used or divulged to any Third Parties. The Supplier shall issues to us all usages which he draws from the violation of these obligations and shall compensate us for any damage arising herefrom.

#### 10. Force Majeure

Strikes, lockouts, interruption of operations, administrative orders and other circumstances not justifiable by Tensometric which results in reduced consumption shall be regarded as force majeure and shall therefore entitle Tensometric to withdraw from the contract.

#### 11. Ban on Child Labour, Slavery, Human Trafficking and Forced Labour

The Supplier shall undertake not to employ children. The Supplier shall ensure that his own suppliers do not likewise employ children. All persons under the age of fifteen (15) years of age shall be regarded as children. Children shall, by way of exception, be employed from fourteen (14) years of age, if, in the country of production, from the fourteenth (14) year of life persons may be employed by operation of law.

The Supplier shall undertake to treat and task his employees in accordance with the UN Convention on Human Rights. Comparable working conditions to EU standards shall serve as the basis for the working relationships of employees. This obligation shall also apply to the Supplier's supplier.

#### 12. Adherence to the Minimum Wage

The Supplier shall undertake to comply consistently with the requirements arising from the Mindestlohnengesetz [Minimum Wage Legislation] dated 11 August 2014 (BGBl [German Federal Law Gazette (Bundesgesetzblatt)] I S 1348) or the presently valid version respectively referring to minimum wage legislation for his employees located in Germany.

#### 13. Environmental Protection

Environmental protection shall take high precedence within the quality understanding of Tensometric. Tensometric shall therefore also expect an environmental awareness of the Supplier corresponding to the guidelines of Tensometric. The Supplier shall guarantee that the goods supplied by him do not contain any of the substances or mixtures featured on the List of Candidates according to Article 59 (1, 10) of the Ordinance (EC) 1907/2006 ("REACH"). The Supplier shall further undertake to inform Tensometric without delay in writing if, regardless of the reason, goods supplied by him contain substances or mixtures featured on the List of Candidates; this shall in particular apply if the List of Candidates is expanded or supplemented. The Supplier shall designate the individual substances by name and shall, as accurately as possible, provide the mass percent proportion. Tensometric shall not be obliged to accept products which contain substances featured on the List of Candidates.

#### 14. Ban on Subcontracting

The Supplier shall not have the right to pass on the order to Third Parties without our prior written consent.

#### 15. Assignment of Claims

The assignment of claims shall only be permitted with the written consent of Tensometric.

**16. Place of Performance**

Unless otherwise explicitly agreed, the place of performance for all obligations arising from the contractual relationship shall be the shipping point specified by Tensometric. Otherwise, the place of performance is Wuppertal, Germany.

**17. Place of Jurisdiction**

The place of jurisdiction for all disputes resultant from this contract shall be Wuppertal, Germany.

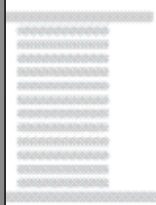
**18. Applicable Law**

Unless otherwise regulated, the law of the Federal Republic of Germany shall in addition apply. EU Sales Law shall only be valid if this was explicitly confirmed in writing on the part of Tensometric, or is mandatory by law.

**19. Severability Clause**

Should one of the preceding agreed clauses be considered entirely or partially ineffective, the validity of the rest of the Conditions of Purchase shall not be affected. The Parties shall agree that such an ineffective clause shall be replaced by an effective one which is most similar to the sense of the ineffective one.

**Tensometric**



**Messtechnik GmbH**



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