

## General Terms and Conditions of Purchase of the Bürkert Group

- from 01.02.2013 also in force for **CUT Membrane Technology GmbH** as part of the Bürkert Group-

### 1. General

These Terms and Conditions of Purchase apply exclusively to all orders. Terms and conditions to the contrary apply only if they are accepted in writing by the orderer. If terms and conditions to the contrary are stated in the order confirmation they are not binding for the orderer unless expressly accepted in writing. The execution of the order is deemed acceptance of the Terms and Conditions of Purchase. If the orderer takes delivery of the goods / services without objection, this cannot be interpreted as acceptance by the orderer of the supplier's terms of delivery.

### 2. Placing and acceptance of orders

Only orders/release orders and transactions placed or confirmed in writing are legally binding for the orderer. Orders placed verbally or by phone, including additions, must be confirmed in writing. Orders, delivery schedules and changes and supplements to the same can, by prior written agreement, also be made by data transfer or machine readable data carriers. Legal declarations of both parties can also be made in electronic form. In this case the party issuing the declaration shall add his name and provide the electronic document with a qualified digital signature in accordance with the digital signature law. In the case of a contract both parties shall sign an identical document with an electronic signature in the manner described above. In the absence of proof to the contrary each party is bound to the declarations contained in such a digital document if the document has been digitally signed in accordance with the stipulations of the digital signature law. If the orderer accepts the supplier's offer with the order, the contract is formed upon receipt of the order. An additional order confirmation on the part of the supplier is then not necessary. If the supplier states other conditions in the order confirmation than in the order, the supplier shall point this out clearly. If this is neglected the contract is formed without the different conditions. If by way of exception no price is stated in the order, the supplier shall state his lowest price in the confirmation, which price is deemed as approved if the orderer does not object within 2 weeks. The orderer can request changes in the delivery also after formation of the contract, insofar as this is reasonable for the supplier. In the case of such changes in the contract both parties shall exercise reason with respect to the consequences, in particular concerning additional or reduced costs and the delivery deadlines. Visits or the preparation of offers, projects etc. will not be reimbursed. The supplier shall treat the formation of the contract confidentially and may refer in advertising materials to business relations with the orderer only after obtaining written permission from the latter. The parties shall treat all business or technical details that are not common knowledge and which they gain knowledge of through the business relations as business secrets. Subsuppliers shall be placed under the same obligation of secrecy. If one of the parties recognizes that information to be kept secret comes into the possession of a third party or a document to be kept secret has been lost, the other party shall be notified of this immediately.

### 3. Prices, dispatch, packaging

The stipulated prices are fixed prices and exclude subsequent claims of all types. Costs for packaging and transport to the delivery address or place of utilization stated by the orderer and for customs formalities and duties are included in the price. The type of pricing does not affect the agreement on the place of fulfilment. We shall be notified of each delivery immediately after its execution by a dispatch notice itemizing the exact type, quantity and weight. Delivery notices, bills of lading, invoices and all correspondence shall include our order number. The orderer shall accept only the ordered quantities or numbers of items. Overdeliveries and underdeliveries are allowed only by prior agreement with the orderer. Dispatch is carried out at the risk of the supplier. The risk of any deterioration including accidental loss remains with the supplier up until the time of delivery at the delivery address and or place of utilization requested by the orderer. Any obligation to take back the packaging is based on the legal provisions. If by way of exception the orderer is charged separately for packaging, then he is entitled to return to the supplier, at no expense, packaging that is in good condition, in return for 2/3 of the invoice value of the packaging. Only eco-friendly packaging materials shall be used.

### 4. Delivery dates, delay, force majeure

The stipulated delivery deadlines are binding. Decisive for compliance with the delivery deadline or the delivery period is the receipt of the goods at the place of receipt and/or utilization stated by the orderer or the on-schedule acceptance of the delivery. If the supplier recognizes that he cannot meet the contractual obligations on schedule for any reason, he shall notify the orderer of this promptly in writing, stating the reasons and the expected duration of the delay. If the supplier is in delay of delivery, the orderer is entitled to all rights established by law. After unsatisfied expiration of a reasonable period set by the orderer, he is entitled to request compensation for damages in lieu of performance or to purchase a substitute from a third party or to cancel the contract. The right to the delivery / service expires as soon as the orderer requests compensation for damages or cancels the contract in writing. The supplier can refer to the absence of necessary documents to be provided by the orderer only if he sent a written reminder requesting the documents and did not receive them within a reasonable period. Force majeure and labour disputes release the parties from their contractual obligations for the duration of the hindrance and within the scope of their effect. The parties are obligated within reason to provide the required information without delay and to adjust their

obligation to the changed circumstances in good faith. The orderer is released from the obligation to accept the ordered goods / services wholly or in part and in this respect is entitled to cancel the contract if the goods / services are no longer utilizable - taking into account economic aspects - due to the delay experienced by the orderer and caused by force majeure or labour disputes. In case of earlier delivery than agreed the orderer reserves the right to return the delivery at the expense of the supplier. If, in the event of early delivery, the delivery is not returned, the goods shall be stored on the premises of the orderer up until the delivery date at the expense and risk of the supplier. The orderer reserves the right in the event of early delivery to wait with the payment until the stipulated due date. The orderer will accept partial deliveries only if expressly agreed. In case of arranged partial shipments, the remaining quantity shall be itemized.

#### 5. **Liability for materials defects**

The supplier gives warranty that all deliveries / services are free from defects, i.e. in particular that they have the properties described in the order and enable safe and troublefree operation for the intended purpose and conform to the state of the art and the relevant legal regulations and directives of government authorities, trade associations and professional associations. If, in a particular case, deviations from such regulations are necessary or if there are objections to the type of design desired by the orderer, the orderer shall be informed of this in writing without delay. The goods receipt inspection by the orderer is limited to transport damage, spot checks and apparent defects; he will notify the supplier in writing without delay of apparent defects in the delivery / service as soon as they are detected in accordance with the circumstances of the regular course of business, however no later than 5 calendar days after receipt of the delivery by the orderer. Defects not detected by the orderer in spot checks are deemed hidden defects. Unless otherwise agreed in the order, the warranty period for the delivery / service is 24 months from the date of delivery. If defects occur in the delivery within the warranty period the orderer is entitled, at his option, to have the supplier, in coordination with the orderer and without delay, remedy the defect and/or deliver substitute goods at no cost and bear all additional costs caused by this, in particular material and labour costs connected with replacement of the defective delivery. If the supplier fails to properly remedy the defect or provide a substitute delivery within a reasonable time despite a reasonable deadline having been set,

- or if the supplier genuinely refuses performance of the remedy with no legal cause,
- or if the remedy fails,
- or if the remedy is unreasonable for the orderer,
- or if due to special urgency it is no longer possible to inform the supplier of the defect and the impending damage and to set a reasonable deadline for his own remedy, then the orderer can, at his choice:
  - perform the remedy and/or substitute delivery himself or through third parties. The supplier shall bear the costs for this measure. Such substitute performance does not affect his obligation of warranty.
  - request reduction of the agreed price

or

compensation of all damages incurred by the orderer due to the defective delivered article, including damage which occurred outside of the delivered article, as well as unavailing expenses. This does not apply if the supplier is not responsible for the defect or cancel the contract

or

the orderer can also cancel the contract and, in addition, request compensation for damages. He can likewise cancel the contract if there are special circumstances that justify immediate cancellation of the contract in consideration of the interests of both parties. In the case of delivery of equipment, machines and systems, the warranty period starts at the time of the acceptance inspection. If the acceptance inspection is delayed through no fault of the supplier, the warranty period is 24 months from the date the delivered article was made available for the acceptance inspection. The warranty period for buildings and building materials is 5 years.

#### 6. **Product liability, breach of duty**

The supplier shall release the orderer from manufacturer's liability and product liability claims, insofar as the damage was caused by a defect in the delivered article. In this respect the supplier shall bear all costs and expenses including the costs of legal defence and a recall measure, unless the cause of the defect was not within his scope of responsibility. The orderer will inform the supplier of the content and scope of the recall measures to be implemented, prior to their implementation. If the supplier culpably violates an obligation from or in connection with the order, the orderer can request compensation for the damage incurred, including the damage that occurred outside of the delivered article. The orderer will nevertheless assert claims due to loss of production or lost profits only in the case of intent or gross negligence on the part of the supplier or if claims are made against the orderer on his part by customers or third parties in this respect or if these damages are covered by an insurance policy taken out by the supplier.

#### 7. **Invoicing and terms of payment**

Invoices shall be sent separately in due form to the orderer, in duplicate with all corresponding documents and data, after completion of the delivery. Improperly submitted invoices shall be deemed as received by the orderer only from

the date of correct invoicing. Payment shall be made in the customary manner, either within 14 calendar days with a 3% discount or 30 calendar days net without discount, starting with the date of the delivery/service and receipt of the invoice. Depending on the automatic payment processes of the orderer these periods can be exceeded by a maximum of 5 work days without the orderer losing his right to a discount. Insofar as certificates of material tests have been agreed upon, they are an essential part of the delivery and shall be sent to the orderer together with the delivery. However, they must be submitted to the orderer no later than 10 calendar days after receipt of the invoice. The payment period for invoices starts upon receipt of the certificate agreed upon. In case of a defective delivery, the orderer is entitled to withhold payment proportionate to the value until the time of proper fulfilment. In case of advance payments the supplier shall furnish a suitable security, such as a bank guarantee.

**8. Property rights**

The supplier guarantees that all deliveries are unencumbered by third party property rights or other rights and especially that the delivery and use of the goods do not violate patents, licenses or other third party property rights. The supplier releases the orderer and his customers from third-party claims from any infringement of property rights and shall also bear all costs incurred by the orderer in this connection. The orderer is entitled to obtain from the entitled person, at the expense of the supplier, the permission for use of the respective delivered goods and services. The same provision applies for the case that third-party claims are asserted against the orderer due to a defect of title through the fault of the supplier.

**9. Deliveries based on the orderer's specifications, drawings and models**

If the goods are manufactured based on the orderer's specifications, drawings or models, the goods and the special equipment, tools, etc. connected with the production may be delivered to third parties only with the express permission of the orderer. The orderer has the exclusive right of disposal concerning order-related production equipment and tools, in particular with respect to joint use, alteration or destruction. Models, samples, drawings or technical documents of any type remain the property of the orderer and shall be kept secret; they shall be returned together with any copies made after completion of the order. If improvements for the supplier result in connection with the execution of the order, the orderer has a cost-free, non-exclusive right of use for the improvement and any property rights. If, in case of a delivery based on the orderer's specifications, drawings and models, the supplier has any objections against the designated type of design, choice of material or manufacturing processes, the supplier shall inform the orderer of this without delay, prior to the start of production if at all possible.

**10. Orders**

Material provided by the orderer remains the property of the orderer. The orderer retains the right to materials provided in the manner that the supplier manufactures the articles to be delivered to the orderer by order of the orderer and for him; in this respect, the orderer is the manufacturer within the meaning of the law. The orderer is the owner of these articles at the respective stage of production. The supplier stores the articles for the orderer at no charge. Waste and swarf that accumulate during processing of the orderer's material remain the property of the orderer and shall be returned with the manufactured articles

**11. Concluding provisions**

If single clauses of these Terms and Conditions of Purchase are invalid, this has no effect on the validity of the remaining clauses. The supplier is not entitled, without the prior written permission of the orderer, to subcontract the order or substantial parts of the order to third parties. The orderer will treat the personal data of the supplier in accordance with the federal data protection law. Claims arising from this contract may be assigned by the supplier only after obtaining the permission of the orderer. The orderer is entitled to transfer rights or claims arising from this contract to another company of the Bürkert Group. Claims of the supplier against the orderer may be set off by the orderer with all claims against the supplier to which the orderer or another company of the Bürkert Group is entitled. Unless expressly agreed otherwise, the place of fulfilment for the delivery commitment is the delivery address or place of utilization designated by the orderer; for all other obligations of both parties, place of fulfilment is Künzelsau. Place of jurisdiction is Künzelsau, if the supplier is a merchant. However, the orderer reserves the right to assert his claims at any other admissible place of jurisdiction. This contract is governed solely by the laws of the Federal Republic of Germany; the UN Sales Convention (CISG) is expressly excluded.