

**General Purchasing Conditions of the Rohde & Grahl GmbH** (Date: Decembre 2011)

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**1. Scope**

- 1.1 For your goods and services to Rohde & Grahl GmbH these General Purchasing Conditions apply unless other arrangements have been made. If the supplier use conflicting or additional conditions, their validity is excluded toward us, even if we have not expressly objected to their content.
- 1.2 With the acceptance of an order, but no later than the delivery of the goods ordered by Rohde & Grahl GmbH, the supplier agrees to accept our conditions. Their other or additional conditions are not part of the agreement.

**2. Orders**

- 2.1 Our orders are only binding if they have been submitted in writing (fax). Verbal or telephone orders are not binding and require written confirmation. Likewise supplements and amendments to orders and ancillary agreements are required in written form.
- 2.2 Orders submitted are to be accepted by the supplier in writing. A confirmation of order in which the content differs from our order constitutes a new offer and must be accepted by us in writing. Under no circumstances will our silence be deemed as acceptance of a substantively different order confirmation.
- 2.3 We are entitled to cancel our order without charge if confirmation of the unchanged order is not received within two weeks of receipt.

**3. Delivery date**

- 3.1 Agreed deadlines for deliveries and services are binding. The supplier is obliged to notify us in writing immediately if the delivery date can not be met. Such notification does not release the Supplier from their obligation to deliver in a timely manner.
- 3.2 Should no delivery be made or no service provided within a grace period set by us, we shall be entitled, without prior notice, to refuse to accept delivery, or withdraw from the contract or claim damages for non- performance. We are also entitled to withdraw from the contract, if the delay was not caused by the supplier. Additional costs resulting from delivery delays, especially for requirements fulfilled elsewhere, shall be at your expense.
- 3.3 For quantities, weights, dimensions and the like, the values which are determined by Rohde & Grahl GmbH in the incoming goods inspection (subject to proof of the contrary), shall be the relevant values. Work stoppages (strikes and lockouts), equipment failure as well as operating restrictions and similar incidents at Rohde & Grahl GmbH which reduce consumption shall be deemed as force majeure and shall release Rohde & Grahl GmbH from their obligation for the duration and the extent of its effect on the purchase.

**4. Prices**

- 4.1 The prices quoted by us, unless otherwise agreed in writing, understood as freight paid to shipping address, including insurance and packaging.
- 4.2 Prices changes are subject to our written approval.

**5. Shipping, handling, transfer of ownership, packaging and transport material**

- 5.1 The delivery must be made under strict observance of our respective shipping address. Each shipment must be accompanied by a single delivery note which contains the Rohde & Grahl GmbH order and article numbers, and also information about the quantity and description of the contents. Partial shipments are only authorized if agreed upon and the delivery notes must be labelled accordingly. The outstanding delivery balance must take place immediately.
- 5.2 The ownership of the goods and services supplied by the supplier and the goods and products manufactured for Rohde & Grahl GmbH (the object of delivery) become the property of Rohde & Grahl GmbH after payment has been made. Any prolonged or extended retention of ownership is invalid.
- 5.3 For machines or equipment a technical description or an operator's manual are to be supplied free of charge. For software the delivery obligation is only fulfilled if the complete technical system documentation has been delivered to the user. For programs that are specifically developed for Rohde and Grahl the developed program must also be delivered in source format.
- 5.4 The supplier is obliged to take back all packing and transportation materials of any kind on request. The supplier is always required to take back packaging materials with health or environment threatening substances or compositions. Costs resulting from the dismantling or transport of the packaging to the supplier will be charged to the supplier.
- 5.5 The goods are normally delivered in standard, commercially available, disposable packaging. If reusable packaging (crates, etc.) is used, the supplier must make the packaging available loan basis. Return shipment is at the supplier's cost and risk. Should Rohde & Grahl make an exception and accept the packaging costs, these costs are to be calculated at a verifiable rate.
- 5.6 For the provision of goods and services on Rohde & Grahl premises, the supplier is required to comply with all safety, environmental and fire protection notices for external persons in the respective valid version.

**6. Production and execution**

- 6.1 The production and execution of the delivery item and the execution of services shall be carried out according to our or the specifications, drawings, calculations, plans or models or those approved by us, and in compliance with the relevant statutory and regulatory provisions, especially the law on technical equipment, the relevant accident prevention regulations, other health and safety regulations, the relevant VDE regulations and generally recognized technical safety and occupational health regulations. Should compliance with the relevant statutory or regulatory provisions make a deviation from our specifications, calculations, drawings, plans or models, or those approved by us, necessary the supplier is required to inform us of this immediately. If this is not merely a minor deviation, we are entitled to withdraw from the contract.
- 6.2 If the supplier is required to install the ordered object, they are obliged to inform themselves about the location and condition the installation site.

**7. Incoming goods inspection and reporting responsibility**

- 7.1 Rohde & Grahl GmbH will notify the supplier about deficiencies in writing without delay as soon as they are detected in accordance with the business processes of Rohde & Grahl GmbH. The Supplier waives the objection to a possible delay of the complaint, in so far as it is not an obvious defect. Payment by Rohde & Grahl GmbH does not mean unconditional acceptance of the goods.
- 7.2 Should we send back the defective goods, we are entitled to charge back the invoice amount plus a handling fee. Faulty deliveries are to be replaced immediately with flawless deliveries and faulty services are to be repeated free of defects. In the case of design and construction errors, we are immediately entitled to those provisions specified in paragraph 7.3.
- 7.3 If defects are not corrected within a reasonable period of grace period given to you, we can, at our discretion, withdraw from the contract or reduce the remuneration and respectively claim additional damages.

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- 7.4 Rohde & Grahl GmbH is entitled under the warranty, at its discretion, to demand free repair or delivery of goods in perfect condition. In urgent cases, Rohde & Grahl GmbH is entitled, after prior notification by defect report, to correct the defect themselves, or to have it done by a third party or otherwise procure replacement at the expense of the supplier. The same applies if the supplier denies or refuses the fulfilment of its obligations under the guarantee or in case of delays. The repair defective goods or services requires our approval. During the period in which the item or service is being delivered and not in our custody, you bear the risk.
- 7.5 Should a defect in the delivered goods be found after installation in a from Rohde & Grahl GmbH manufactured object, the supplier is obliged to reimburse the Rohde & Grahl GmbH for the cost of repairing the damage caused on object as well as any consequential damages.
- 7.6 In the event that a claim is made against Rohde & Grahl GmbH by a third party due to product liability, the supplier is obliged to indemnify Rohde & Grahl GmbH of such claims, if the damage was caused by a defect in the goods supplied by the supplier. For this exemption claim the warranty period is extended in accordance.
- 7.7 The supplier is also required to reimburse Rohde & Grahl GmbH for any expenses arising out of / or in connection with recall of goods conducted by Rohde & Grahl GmbH in the case that this is due to a defect in the goods supplied by the supplier.

**8. Guarantee**

- 8.1 The guarantee complies with the standard conditions, but is at least 24 months from the date of delivery. Repair time is not included in the guarantee period. A new warranty period begins with the supplying of a replacement part. The limitation period for warranty claims is suspended as long as the supplier has not finally rejected our timely complaint in writing.

**9. Invoices and payment conditions**

- 9.1 Invoices must be submitted to us by post. They must contain our order and article numbers.
- 9.2 Unless otherwise agreed upon in writing, payment conditions are 30 days 3% discount or 60 days Net after date of invoice. Should the goods be received later than the invoice, the date of goods receipt will be used as basis for payment. Payments do not acknowledgement receipt of goods or services according to the contract. In case of incorrect or incomplete delivery or performance, we are entitled, notwithstanding our other rights, to withhold payments on claims to a reasonable extent until proper fulfilment.
- 9.3 The assignment of your claims against us on third parties is excluded.

**10. Provision of materials**

- 10.1 Material provided by us will remain our property and must be kept by you free of charge and with the diligence of a prudent businessman separated from your other property and marked as our property. It may be used to complete our order. Damage to the provided materials is to be replaced by you.
- 10.2 Should you process the material provided or build it up, this shall have been done for us. We shall immediately become owner of the new objects. Should the material provided only be part of the new object, the joint ownership of the new goods is in proportion to the value of the material provided therein.

**11. Environmental protection**

- 11.1 Your goods and services must comply with the legal requirements, in particular the safety and environmental regulations, including the regulations on dangerous substances and the safety recommendations of the German professional associations or trade associations. The relevant certificates and documents are to be provided free of charge.
- 11.2 You are required to determine and comply with the guidelines and laws regarding substance restrictions. You are required to refrain from the use of prohibited substances. Substances to be avoided and hazardous materials according to the applicable laws and guidelines are to be indicated on the specifications by you. If applicable, Material Safety Data Sheets must be submitted with the offers, and on initial sampling with the delivery note at the latest. We are to be notified immediately about information on exceeding of substance limitations and supply of prohibited substances.
- 11.3 For goods and provision of services involving hazardous substances, you are solely responsible for compliance with the accident prevention regulations. Any necessary safety equipment and any manufacturer's instructions are supplied free of charge and will be adhered to.

**12. Data protection**

The Supplier agrees company-specific data stored by Rohde & Grahl GmbH as part of the business relationship is stored in the of Rohde & Grahl GmbH computer system and processed automatically.

**13. Confidentiality**

- 13.1 You are required to treat all commercial and technical details that are known to you through the business relationship confidentially and not to disclose them to third parties.
- 13.2 The showing of products specially manufactured for us, particularly according to our plans, drawings or special requirements to third parties requires our prior written approval.

**14. Final provisions**

- 14.1 In each case, the place of fulfilment is the delivery address indicated.
- 14.2 The laws of the Federal Republic of Germany shall apply. The application of The Hague unified sale of goods laws, the unified UN sale of goods law or other conventions relating to the law on the purchase of goods, is excluded.
- 14.3 Should one or more of the aforementioned provisions of these General Terms and Conditions be or become invalid, then the validity of the remaining provisions shall not be affected.