

**General Terms and Conditions (GTC)
- Terms and Conditions of Purchase -
Hometherm GmbH, Lüdenscheid (hereinafter referred to as „Hometherm“)**

§ 1. General provisions

1. Our orders are solely subject to these Terms and Conditions of Purchase.

2. The confirmation or execution of our order constitutes recognition of these Terms and Conditions of Purchase. Other terms, including the terms of sellers and contractors, will not be made the content of the contract, even if Hometherm does not expressly object to such terms.

3. If our General Terms and Conditions of Purchase do not correspond to the terms and conditions of our business partners with regard to content, the terms and conditions of our business partners will be binding for us only if they have been recognized by us in writing upon the conclusion of the contract.

4. Orders, agreements and amendments will be binding only if they are issued or confirmed in writing by a member of the management of Hometherm. Agreements with other departments, branch offices or other Hometherm organizational units will likewise require the confirmation in writing of the management. The same will also apply to addenda made to contracts and to deviating oral agreements.

5. No remuneration or compensation for visits or the drafting of quotes, projects, plans, etc. will be paid by Hometherm if no order is made. Any agreements to the contrary must be reached in writing.

§ 2. Conclusion of the contract

1. The contractor must confirm orders no later than one week after such are received unless Hometherm has explicitly expressed a different request. A delayed confirmation or a confirmation deviating from our order will constitute a new offer and will require our express acceptance in writing. Every instance of correspondence must indicate the order number shown on the order. Hometherm will not assume any responsibility for delays caused by non-compliance with this obligation.

3. If such written acceptance is not issued and the contractor nevertheless executes the delivery or other performance, Hometherm will accept such only in accordance with the terms and conditions of the order placed by Hometherm.

4. All contracts as well as their modifications and amendments must be in writing to be effective. Oral agreements will only be effective if they are confirmed in writing by Hometherm. The same will also apply to the requirement of the written form.

§ 3. Price

1. Deliveries will be made on the basis of previously agreed fixed prices; statutory VAT will be added to the prices. The same will also apply to contracts with delivery times of more than four months.

2. Price increases will be permitted only if written agreements regarding the price have been reached between the Parties.

3. Where no prices have been determined in the order, a confirmation of the price must be obtained from Hometherm prior to the execution of the contract.

§ 4. Passing of risk

The ordered goods will travel at the risk of the contractor. The risk of accidental loss or accidental deterioration will be borne by the contractor up to the point of acceptance. Any deviating agreements must be confirmed in writing by Hometherm.

§ 5. Delivery

1. Unless otherwise agreed in writing, all deliveries will be carried out to the receiving agency or point of use designated by Hometherm, carriage paid and free of packaging. The shipment must be reported to Hometherm in writing in such a way that Hometherm is aware of the quantity, dimensions and weight before the goods arrive. The same will also apply to any special requirements for the handling of the goods, in particular for the unloading, transport and storage in our operations area.

2. If it has been expressly agreed that Hometherm will bear the costs, Hometherm will determine the carrier. The goods must be declared in the consignment note in such a way that the least expensive rate permissible is charged for the shipment. To execute the transport, the contractor must indicate to Hometherm when the goods are ready for shipment. In such case, Hometherm may take out transport insurance and bear the costs incurred. In this respect Hometherm is a customer exempted from forwarding insurance within the framework of shipping and cartage insurance („SVS/RVS-Verbotkunde“). Additional insurance costs will not be assumed by Hometherm.

3. The packaging must be charged at cost - without any deposit - unless the agreed price is understood to include packaging. Hometherm reserves the right to return bulky packaging goods to the contractor, including but not limited to packages, barrels, crates, etc., after emptying them - and irrespective of any transport-related or other wear and tear - carriage paid and in return for a corresponding credit note. Any practices deviating from the requirements under the Packaging Regulations (VerpackV) from 12 June 1991 (German Civil Code I I sentence 1234 ff.) will require our prior written consent.

4. In the context of the delivery and the transport of dangerous substances within the meaning of the Law on the Transport of Dangerous Goods from 6 August 1995 (German Civil Code I I sentence 212 ff.) and any regulations, the contractor undertakes to comply with the statutory requirements.

5. Additional deliveries will only be recognized if such has been confirmed by Hometherm in writing.

6. All the documents necessary for acceptance, operation, maintenance and repair, including test reports, factory certification, drawings, plans, operating instructions and repair manuals, must be supplied by the contractor free of charge and in reproducible form.

7. Our Goods Receiving department is open only Monday through Thursday, 8:30 a.m. to 4:00 p.m., and on Friday 8:30 a.m. to 1:00 p.m.

§ 6. Delivery time

1. The prescribed delivery dates will be deemed agreed unless the contractor has expressly objected; in such case the delivery dates and periods will be binding and will begin upon the date of our order. The factor determining the level of compliance with the delivery date or the delivery period is the date of receipt of the goods by the receiving agency or point of use designated by Hometherm or the timeliness of the successful acceptance.

2. Any delays occurring must be notified to Hometherm in writing immediately upon becoming known, still prior to the lapse of the delivery period, along with information regarding the reasons and the expected duration of the delay. If planning changes with regard to the order are made necessary by delayed deliveries, such will be notified by Hometherm immediately; such instructions must be followed by the contractor in detail.

3. The contractor is obliged to compensate Hometherm for any direct or indirect damage due to delay unless the contractor is not responsible for such delays.

4. If the contractor is in delay, Hometherm will be entitled to the statutory claims, including the claim for damages due to non-performance following the unsuccessful lapse of a reasonable remedy period. Hometherm will then be entitled to demand lump-sum damages for delay in the amount of 0.5% for each complete damage caused by delay, up to a maximum of 10% of the value of the delivery or the performance. It will not be possible to deny the aforementioned rights on the basis that delayed deliveries/services may have been accepted without reservation by Hometherm in the past. Further claims will remain reserved; however, the contractor will have the right to prove that as a result of the delay no damage or no significant damage has been incurred.

5. A delivery made prematurely without our consent will not affect the payment periods related to the agreed delivery dates.

§ 7. Acceptance

Acceptance will be carried out in the normal course of business, immediately upon the receipt of the delivery or performance, provided that both are in compliance with the contract.

§ 8. Delivery note

1. Each shipment must be given a delivery note in duplicate in which all the labels prescribed in our order – including order number, part number, batch number and position number – are indicated. Partial and remaining deliveries must be specially identified as such.

2. For us to be able to determine the contents of a shipment without opening it, the delivery note must be placed either under the sticker or under the packing paper, with a clear indication.

§ 9. Law of obligations, warranty and notification of defects

1. The contractor guarantees or ensures that all the goods it delivers or all the performances it provides are state of the art and that they comply with the relevant national and international legal provisions and the requirements and guidelines of authorities, professional associations and trade associations.

2. The specifications and company-internal standards laid down by the agreement, as well as the corresponding European Standards („EN“) in general, constitute guaranteed data and/or guaranteed features of the subject matter of delivery or performance.

3. If deviations from such requirements are necessary in individual cases, the contractor must obtain our consent in writing for this purpose. The contractor's warranty obligation will not be affected by such consent.

4. The contractor will be liable for ensuring that the goods delivered or the performances provided do not show any defects detracting from their value or their suitability and do have the guaranteed features.
5. The warranty period is 24 months, starting on the date on which Hometherm, or the receiving agency or point of use designated by Hometherm, accepts the goods delivered or performances provided.
6. In the case of defects in the delivery/performance, Hometherm will notify these to the contractor in writing as soon as they are detected in the normal course of business, but no later than within four weeks after the delivery to Hometherm or the recipient is completed. „Hidden“ defects, which are first found later on, will be notified by Hometherm no later than within two weeks after being discovered.
7. If defects are notified in good time, or if the goods show a lack of guaranteed features, the contractor will be obliged upon Hometherm's request to carry out the necessary remedy work without delay and free of charge. If the remedy work fails, the statutory warranty claims will remain with Hometherm.
8. In urgent cases, or if the contractor is in delay with the fulfilment of its warranty obligations, Hometherm will also be entitled to remedy the defects itself at the contractor's expense, to have the defects remedied or to obtain a replacement. If Hometherm chooses this option, Hometherm will advise the contractor of its decision to do so. Hometherm will decide after due assessment whether the case at hand is urgent.
9. If, as a result of a defect in our product that is caused by goods or a performance provided by the contractor, claims are asserted against Hometherm due to breach of official safety regulations or due to domestic or foreign product liability regulations, Hometherm will then be entitled to demand damages from the contractor accordingly to the extent that the contractor has contributed to such damage by means of the products it has supplied. The supplier must carry out quality assurance in line with the latest state of the art and prove to Hometherm that it has done so in the event of product liability claims.

§ 10. Proof of origin, export restrictions

1. Proofs of origin requested by Hometherm (such as suppliers' declarations or restrictions on the traffic of goods in terms of the rules of origin) must include all the required information and be properly signed and provided by the supplier in good time.
2. The contractor must inform Hometherm if a delivery item is subject in part or in full to export restrictions under German or other (such as U.S. American) foreign trade law.

§ 11. Payment

1. For each separate order, a duplicate invoice corresponding in content to the delivery note and the shipment notification must be sent on the date of shipment.
2. Unless otherwise noted in the order, payments must be made within 14 days less 3% discount, or within 30 days – or by a later payment date as granted by the contractor – net. The payment period will begin at the earliest upon the receipt of the proper invoice, but not prior to the receipt and technical acceptance of the ordered goods or the acceptance of the performance. The stamped date of receipt constitutes the date of the receipt of the invoice.
3. The payments will not affect our right to notify defects or our guarantee and warranty claims against the contractor.
4. Hometherm will immediately send back to the contractor any invoices that do not comply with our requirements, in particular in the case of missing order numbers and in the case of non-compliance with the EURO requirements. In this case the discount period will not commence before the corrected invoice is received.

§ 12. Force majeure

Any cases of force majeure, strike or lock-out will release the contracting parties from their obligations of performance for the duration of the incident and within the scope of its impact. The contracting parties will be obliged to provide to each other the information necessary without delay, within reasonable limits, and to adapt their obligations to the changed circumstances, in good faith.

§ 13. Third-party industrial property rights

1. The contractor must ensure that no domestic or foreign industrial property rights or intellectual property rights of third parties are infringed as a result of the production, processing, use or resale of the goods or other performances offered and delivered.
2. The contractor is obliged to indemnify Hometherm or our customers against damage claims of third parties arising under such legal relationships and to join Hometherm or our customers at its own expense in any legal dispute that may arise for such reason.
3. Hometherm will be entitled to acquire the right to use (license) from the copyright holder at the contractor's expense.

§ 14. Our own industrial property rights

The contractor recognizes our entitlements to the brands, names and packaging designs used for the contract products and undertakes not to derive any entitlements to the future use of such brands, names and packaging designs or to reuse these or similar items or have them used, except for the contract products to be delivered to Hometherm itself. This obligation of the contractor will continue to remain in effect even beyond the termination of the contract.

§ 15. Documentation and confidentiality

1. All execution documents, models, patterns, drawings, leaflets, tools, etc. which Hometherm provides to the contractor will remain the property of Hometherm and must be carefully stored for the period of availability at the supplier's expense. They may be demanded back by Hometherm at any time.
2. All execution documents, models, patterns, drawings, leaflets, tools, etc. must be treated as confidential and can only be used for the purpose of completing our orders. The contractor explicitly undertakes not to reproduce the same.
3. All parts manufactured according to our specifications, drawings, models, etc. can be provided only to Hometherm; under no circumstances will the contractor be permitted to provide them to third parties permanently or for inspection.
4. Any other information submitted to the supplier in connection with the placing and execution of the order with regard to quantities, prices, etc., as well as otherwise obtained knowledge about all our operational processes, must be treated by the supplier as confidential and kept confidential even after the termination of the business relations.

§ 16. Assignment

The contractor will not be entitled, without the prior consent of Hometherm, to assign any receivables against Hometherm or to instruct third parties to collect such receivables. We will grant our consent for such assignment according to the principles of good faith. For the event that the contractor, in the ordinary course of business, has granted its supplier an extended reservation of title, our consent will be deemed granted.

§ 17. Set-Off

Hometherm will be entitled to set off against receivables payable to Hometherm by the contractor.

§ 18. Place of performance, venue

1. Unless otherwise provided for in the order and the contract confirmation, the place of performance for the delivery or other performance of the contractor for business transactions with general merchants, legal persons governed by public law or a special fund under public law will be the address designated by Hometherm. The place of performance for our payment obligation will be the registered office of our company.
2. Venue for all disputes will be Darmstadt in Hesse, Germany, if there are no objections from a legal or administrative point of view. If for any reason this venue should not be possible, the registered office of Hometherm and the court competent there must be addressed for disputes where the contractor is a merchant, a legal person governed by public law or a special fund under public law. By accepting an order from Hometherm and thus being automatically aware of this jurisdiction regulation, the contractor agrees to this regulation and to be subject to it.
3. We reserve the right, however, to file suit against the contractor at its general place of jurisdiction.
4. Unless otherwise agreed, solely the laws of the Federal Republic of Germany will apply.

§ 19. Partial invalidity

The legal invalidity of one part of the above terms and conditions (also of this clause) will have no impact on the validity of the other terms and conditions. In lieu of the provisions that do not become an integral part of the contract or are invalid, the statutory requirements will apply.

§ 20. Data protection

Personal data that is generated in connection with the contractual relationship will be stored for the purpose of data processing (§ 28 Federal Data Protection Act, BDSG).

Lüdenscheid, 1 October 2013