

GENERAL PURCHASING CONDITIONS

for Deliveries and Services

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§ 1 Preamble

- (i) These general purchasing conditions apply exclusively to all contracts of NDT Global GmbH & Co. KG, referred to as "NDT" hereinafter.
- (ii) NDT's purchasing conditions have priority over all general terms and conditions, delivery, contractual and purchasing conditions of the supplier/contractor. The latter shall not become part of the contract even without the express objection of NDT. This also applies to any following commercial activities irrespective of whether these conditions are expressly referred to again in later transactions. The acceptance of deliveries and services without reservation does not indicate the acceptance of conditions of the supplier/ contractor.

§ 2 Offer/Order

- (i) When submitting offers, the supplier/contractor shall declare his acceptance of these general purchasing conditions. If this is not expressly declared, then the performance of the order is considered as acceptance of these general conditions.
- (ii) The supplier/contractor shall confirm orders in writing immediately. If no confirmation is received within 10 calendar days after receipt of the order, NDT is entitled to revoke the order, without the supplier/contractor being entitled to claim damages as a result.
- (iii) Insofar as there is no other written agreement, all prices are net exclusive of the statutory VAT, free

house inclusive of all incidental costs such as installation costs.

- (iv) Any deviations from the order submitted will only be recognized, if NDT has received a written order confirmation in due time before fulfilment and has given its agreement.
- (v) Should NDT withdraw from a contract either wholly or partly, then the supplier/contractor is only entitled to claim the actual costs incurred up to the time of the withdrawal.
- (vi) NDT is at any time entitled to offset all amounts owed by the supplier/contractor with claims from the supplier/contractor from this or any other order.

§ 3 Delivery

- (i) The delivery dates stated in the order shall be considered as agreed and are binding. The supplier/contractor is obliged to inform NDT in writing immediately, if circumstances become known to him, which prevent the delivery dates from being observed.
- (ii) The supplier/contractor shall temporarily discontinue performance of the order, if NDT so desires and gives reasons.
- (iii) The supplier/contractor shall undertake to have the goods delivered within the times for receiving goods stipulated by NDT. The normal times for receiving goods are: Mondays and Wednesdays 8 am to 12 am and 1.30 pm to 3 pm, Tuesdays and Thursdays 8 am to 12 am and 1.30 pm to 4 pm, Fridays 8 am to 12 am.

- (iv) Unless otherwise agreed, complete order volumes are to be delivered.
- (v) If part deliveries have been agreed, NDT is entitled to use or install the delivered parts before completion of the whole order, without thus accepting delivery according to the contract. The provision of factory certifications, acceptance certificates, instruction manuals, as well as the carrying out of all tests required by the authorities are part of the performance of the contract.
- (vi) Dispatch shall be made to the dispatch address stipulated by NDT. The order number, the order date as well as the description of the items of delivery are to be given on the dispatch documents to be enclosed.
- (vii) The place of delivery is the stipulated dispatch address. The supplier/contractor carries the transport risk until the goods are handed over at the place of delivery.

§ 4 Invoice/Payment

- (i) Payment will be made either after 14 days less 3% discount or after 60 days net after receipt of an auditable invoice and duly completed service/delivery.
- (ii) Any payments made by NDT do not represent acceptance of the proper performance of the contract nor that the goods or services are free from defects.

§ 5 Quality Inspection/Acceptance

- (i) NDT will examine the delivered goods for discernible defects within 10 working days after receipt. The issue of a receipt does not mean that any claims have been waived by NDT.
- (ii) In the case of transport damage, wrong deliveries, faulty deliveries and any other complaints, the supplier/contractor shall deliver replacements immediately and without additional costs to NDT. The supplier/contractor carries all costs and expenses for the storage, new packaging and return.

§ 6 Remedy of Defects

- (i) The supplier/contractor guarantees that the items delivered or the services carried out are as agreed and contain no defects, which negate or reduce the value or their suitability for the ordinarily intended purpose or as stipulated in the contract.

The period set for remedying defects is 24 months.

- (ii) If the services or items delivered are not of the agreed quality or if these contain material or legal defects, the supplier/contractor shall remedy these immediately and free of charge to NDT. NDT can demand either replacement delivery or rectification of the defect at its own discretion. Any legal rights remain unaffected by this.
- (iii) The supplier/contractor is obliged to compensate all damage, expenses and other disadvantages, which are incurred to NDT in connection with the remedy of defects.
- (iv) If NDT receives any claims from a third party due to any service of the supplier/contractor not performed according to the contract, the supplier/contractor is liable to NDT for any damage thus caused even if it is through no fault of his own.

§ 7 Care/Maintenance

- (i) In the case of the delivery of hardware and software the supplier/contractor agrees to guarantee care and maintenance for at least 5 years. Here the regulations of the BVB (Bundesverband für Büro- und Informations-systeme, German Federal Association for Office and Information systems) for Maintenance and of the BVB for Care apply.

§ 8 Intellectual Property Rights

- (i) If, due to the performance of the order, third party intellectual property rights or copyrights are affected, the supplier/contractor shall obtain the necessary licences at his own cost and, on first demand, shall keep NDT free of all liabilities, damages and expenses, which could arise for NDT from the use of these rights.
- (ii) If the intellectual property rights or copyrights of the supplier/contractor are affected, at the same time as the performance of the order the supplier/contractor shall grant NDT the irrevocable licence to use these rights without limitation or charge in connection with the delivered item.
- (iii) All rights concerning ideas, inventions, know-how, plans and data, which arise in the course of or as a result of the performance of services of the supplier/contractor according to the order, shall be regarded as work created for NDT and shall be transferred to NDT inclusive of all patent rights and know-how. On the demand of NDT the sup-

plier/contractor will transfer to NDT the intellectual property of the inventions, know-how, plans and data created by order of NDT.

direct costs incurred to the supplier/contractor regarding the premature termination/premature withdrawal from the contract.

§ 9 Drawings

- (i) The necessary examination and approval of drawings by NDT serves to support the supplier/contractor and does not release the supplier/contractor from his responsibility to render proper performance of the order.

§ 10 Hazardous Substances/Work Safety

- (i) If goods or other services, which are sold to NDT within the scope of an order or are delivered to NDT in any other way, contain hazardous materials or substances required to be disposed of, the supplier/contractor will provide all relevant information according to the legal regulations and take the corresponding protective measures. The supplier/contractor will dispose of all hazardous substances produced by him during the work carried out in-situ in accordance with the relevant regulations.
- (ii) According to the pertinent health and safety regulations, the supplier/contractor shall take all the necessary safety precautions during the performance of his services on site.
- (iii) When performing services on site, the supplier/contractor will commit himself to follow all instructions regarding the work safety of the personnel of NDT, to observe all relevant guidelines for subcontractors and suppliers and to take part in any training. The non-observance of instructions as well as any violation of the relevant guidelines by the contractor constitute a reason for termination of the contract for cause.

§ 11 Termination

- (i) NDT may terminate the order either partly or wholly at any time. After receipt of the notice of termination the supplier/contractor will cease all work immediately, terminate all subcontracts, insofar as these refer to the terminated services, and surrender all drafts, drawings and specifications and materials and completed work to NDT. NDT will reimburse the supplier/contractor for all

§ 12 Confidentiality

- (i) The supplier/contractor shall commit himself to keep confidential the trade and business secrets of NDT, which become known to him. With regard to verbally exchanged trade and business secrets, the confidentiality of these must be confirmed by NDT in writing within 5 working days. In the case of culpable infringements of the obligation to secrecy, NDT can withdraw from the contract i.e. terminate it immediately. Further rights remain reserved.
- (ii) Any information, which
 - a) can be shown to have been known,
 - b) which can be shown to have been available to the supplier/contractor in writing before receiving it from NDT or
 - c) the notification of which has been approved by NDTshall not be regarded as trade or business secrets.
- (iii) The above mentioned secrecy regulations are valid for 5 years after disclosure of the corresponding information or 3 years after completion of the order.

§ 13 Miscellaneous/ Applicable Law/Place of Jurisdiction

- (i) Verbal agreements require written confirmation in order to become binding.
- (ii) The law of the Federal Republic of Germany applies under the exclusion of the Vienna Convention for the International Sale of Goods (CISG). The place of jurisdiction is Karlsruhe.
- (iii) Should one of the above clauses be or become wholly or partly invalid, this does not affect the validity of the remaining conditions. To the extent of applicable law, the parties shall replace the invalid or ineffective clause by one which is economically equivalent.
- (iv) The place of performance is Stutensee