

**RENK SYSTEMS CORPORATION**  
**GENERAL PURCHASING TERMS & CONDITIONS**



**1. GENERAL**

Our Terms & Conditions of Purchase shall apply exclusively and to any and all orders placed by us, including (without being limited to) any future transactions with Supplier if a qualified merchant as defined by USA legislation. Unless we have given our express written consent to the application of Supplier's terms and conditions (which consent shall solely apply to one specific transaction, with the express exclusion of any prior or future purchase orders), we do not accept any Supplier terms and conditions if conflicting with, or in derogation of, the subject Terms & Conditions, which shall also apply if we, albeit aware of Supplier's conflicting terms and conditions, accept delivery without reservation.

**2. CONTRACTING**

- 2.1 Our purchase orders (P/O) are made out, and are valid only if, in writing. Where correspondence is exchanged via computer (including PC-based faxes), our communications will be valid with or without facsimile signature(s). Oral understandings require to be confirmed in writing.
- 2.2 Acceptance of our order shall promptly be confirmed in writing to us, indicating our P/O number. Pending receipt of such acceptance of order, we will be entitled to cancel our P/O.
- 2.3 None of our employees are authorized to agree to any amendments or additions to the contract other than in writing. Therefore, any verbal understandings (whether one-to-one or by phone) about contract amendments without our express subsequent approval will not take legal effect unless agreed by and between Supplier and any of our employees who is duly authorized under USA law, or by specific written power of attorney duly submitted to Supplier, to represent our company.

**3. PRICES**

The prices stated in our P/O and confirmed by Supplier shall be deemed fixed and, unless expressly otherwise agreed, will not be subject to change due to any subsequent cost increases.

**4. DELIVERY, RETENTION OF TITLE/RESERVATION OF OWNERSHIP**

- 4.1 Supplier is obligated to deliver the order goods free and clear of third-party rights and interests. Unless expressly agreed, part shipments are not allowed.
- 4.2 We will acquire absolute title to, and unconditional ownership of, the goods on payment, and will accept no further lien, retention of title or reservation of ownership, whether by Supplier or a third party.

**5. DELIVERY PERIOD**

- 5.1 The goods shall strictly be delivered by the agreed deadline. A deadline shall be deemed met if and when the goods have arrived at the place of destination indicated by us or, if formal acceptance has been stipulated, after acceptance by us of the goods. Any foreseeable noncompliance with delivery dated shall forthwith be communicated to us.
- 5.2 Additional costs incurred for special delivery to ensure adherence to the agreed delivery deadline will be for Supplier's account, even where we exceptionally bear the shipping charges for ordinary delivery.
- 5.3 If Supplier fails to perform in good time, we are entitled, subject to the provisions of the law, to rescind the contract and claim damages. We do not accept any limitation of liability for delayed or defaulted delivery.

**6. SHIPMENT, PACKING, RISK, FORWARDING NOTE**

- 6.1 Each shipment shall be accompanied by a delivery note stating quantities and dimensions. Unless otherwise agreed, shipments shall throughout be made free at domicile including packing and freight.
- 6.2 Due, proper and adequate packaging, corrosion-proofing and loading will be Supplier's responsibility. The take-back of packaging materials is governed by Fair Packaging and Labeling Act as amended from time to time. Place of performance for taking back transport packing shall always be the place of physical delivery of the goods.
- 6.3 Risk will not pass to us until after our receiving department has received the goods.
- 6.4 Forwarding note: "consignee expressly waives any haulage and warehousing insurance".

**7. INVOICE AND PAYMENT**

- 7.1 Invoices (one original) shall be sent to us promptly after delivery. Unless otherwise agreed, invoices will be paid 30 days after receipt.
- 7.2 We will not be deemed to have defaulted payment (i) unless and until we have received a written reminder or (ii), if not so reminded, prior to 30 days after due date and invoice receipt. Any damages for delayed payment shall be confined to the statutory penalty interest unless Supplier duly substantiates the actual incurrence of any higher loss.
- 7.3 We expressly reserve the right to offset any counterclaims (if due) or enforce any liens or exercise other rights of retention we may be entitled to.
- 7.4 No payment by us shall be construed as a recognition of due and contractual delivery.

**8. WARRANTY**

- 8.1 Supplier shall fully warrant the delivered goods. Our claims for defect under this warranty will not become statute-barred before the expiration of one year after physical delivery or, where formal acceptance has been agreed, and acceptance of the goods.

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8.2 We will exercise the post-performance option of either having a defect rectified or the defective goods replaced. After post-performance rectification or replacement, the warranty period of repaired or replaced parts shall recommence to run.

**9. LIABILITY**

9.1 Supplier's liability shall be governed by USA law. We do not accept any other limitation or exclusion of liability whatsoever. This shall also apply to (i) any violation of nonessential contractual obligation, or (ii) the liability for ordinary auxiliary person (vicarious agents), or (iii) any limitation of liability to specific ceilings, specific types of loss or damage or by reducing the period of prescription.

9.2 With respect to any defect in the goods attributable to Supplier, Supplier shall release, indemnify and hold us harmless for the resulting product liability to the extent that Supplier could also be directly held liable.

**10. EXCESS AND SHOR QUANTITIES**

Supplier shall strictly adhere to the quantities and weights ordered. Quantities of any material which we regularly order in major lots may vary up to 5% from those ordered but are subject to our approval.

**11. MODELS AND TOOLING**

11.1 If Supplier makes any tools or models at our cost and expense to execute an order, Supplier throughout does so on our behalf. Therefore, Supplier is obligated after completing the order to keep such tools/models in custody for us or delivery them to us when requested, as well as to deliver title to and ownership of such tools/models (unless already transferred) to us.

11.2 None of such tools or models may be realized, and no parts made by means thereof may be resold, without first obtaining our express written approval.

**12. FOREIGN TRADE LEGISLATION / EXPORT CONTROL**

The Supplier shall inform us in writing of any applicable export restrictions according to German, European or US export legislation in regard to the scope of supply under specification of the respective classification code. This information is to be provided as part of the quotation, or latest together with the order acknowledgement.

**13. CONFLICT MINERALS**

It is our policy to avoid sourcing products containing Conflict Minerals according to Dodd Frank Act Section 1502 (columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives tantalum, tin, tungsten). We expect from our suppliers and business partners to establish a policy and systems to procure Conflict Minerals only from sources that have been verified as conflict free with the understanding that they will be able to offer supporting data upon their supply chain for such conflict Minerals.

**14. SECRECY AND CONFIDENTIALITY**

14.1 We retain absolute and exclusive title to all drawings, models, molds, patterns, etc. as these are committed to Supplier's care only for the agreed, and shall not be used for any other purposes. Copies or any other reproduction thereof (including the storage, processing or transmittal by electronic media) may only be made for the agreed purposes. Neither shall the original nor any copy thereof be delivered or disclosed to a third party in any form whatsoever.

14.2 Any reference whatsoever to our business relationship for advertising purposes shall strictly require our written consent.

14.3 Supplier shall indemnify and hold us harmless for any loss we incur through Supplier's violation of any aforesaid duty or obligation.

**15. PLACE OF PERFORMANCE AND JURISDICTION, APPLICABLE LAW**

15.1 Place of performance of the delivery shall be the destination specified in the P/O.

15.2 Place of jurisdiction for any dispute arising from or in connection with contracts made subject hereto shall be the location of purchaser.

Purchaser: RENK SYSTEMS CORPORATION, Camby, IN USA = Jurisdiction: Camby, IN USA

However, we may also enforce any claims against Supplier before a court of competent jurisdiction over Supplier's business domicile.

15.3 The contractual relationship and privacy of contract shall be governed by, and be subject to, the laws of the Federal Republic of Germany.

**16. SHIP-TO-ADDRESS (unless otherwise stated on the P/O)**

RENK SYSTEMS CORPORATION

8880 Union Mills Drive

Camby, IN 46158 USA

Receipt of goods: Monday to Thursday 8:00 am – 4:00 pm

Friday 8:00 am – 11:00 am

All deliveries will be received at receiving/ truck bay doors.