



General purchase conditions of Kraftanlagen Group
Versions February 2022
Kraftanlagen Romania
IPIP SA

GENERAL PURCHASE CONDITIONS

For supplies/services to companies of Kraftanlagen Romania and IPIP SA
February 2022

1.0 General

Contracts will be concluded and orders will be placed by us only on the basis of these General Purchase Conditions, attached to the respective orders or contracts as component part thereof. For the avoidance of any doubt, any reference to orders or purchase orders in these General Purchase Conditions shall be construed as reference to contracts as well, should the context not require otherwise. However Special Purchase Conditions for certain supplies and/or services shall have overriding priority, inasmuch as they are referred to in the written purchase order concerned. The performance of our order by you shall be considered an acceptance of these General Purchase Conditions as well and a waiver of any own contradictory terms of sale or delivery. This shall also apply should we not expressly contradict any terms and conditions which may differ from ours. Alternative terms and conditions shall only be binding if accepted by us in writing. In such cases, our terms and conditions shall supplement the alternative terms and conditions. Inasmuch as these General Purchase Conditions or other elements of any contract require the written form, electronic transmission is sufficient, unless we have explicitly requested an extended electronic signature under the terms of the Law no. 455/2001 regarding the electronic signature.

2.0 Offers

Offers shall be submitted free of charge. As a general rule no remuneration shall be granted for visits, cost estimates, submission of planning documents and similar services.

3.0 Purchase Orders

3.1 Purchase orders and other requests , as well as subsequent modifications and supplementary amendments are only binding if placed or confirmed by us in writing.

3.2 Should we place an order or agree on an amendment by telephone in advance of the written form, you are obliged upon receipt of the written document to verify all details already communicated by us and to inform us of any discrepancies without delay. In case discrepancies exist, the written form agreed by the parties will prevail.

3.3 The subcontracting of entire orders for goods or services is subject to our prior authorization even if you intend to subcontract an entire order in many parts.

3.4 All correspondence in connection with a purchase order shall be directed to the address indicated on the written purchase order and must include all details required for the processing (purchase order number and date, sales order number and item number).

4.0 Dispatch Instructions

4.1. Unless otherwise instructed by us, dispatch shall be to the address given in the purchase order or order confirmation except for the case when, before dispatch other address was communicated by us in written form. Proof of dispatch shall be provided to us by means of a delivery note signed in two copies by the recipient and containing the following details: purchase order number and date, sales order number and item number, type, quantity, net weight and gross weight of the goods, the delivery address as provided in the purchase order, as well as additional information required in our purchase order. One copy of the delivery note shall be enclosed to the goods, the other copy must be submitted to us together with the invoice.

4.2 We decline all responsibility for any delays in payment due to non-compliance with these instructions. Any additional costs resulting from not respecting of the correct dispatch address shall be supported by you. If by agreement we are to support the transport costs, you are to choose the most favorably-priced means of dispatch unless we have expressly required a certain means of dispatch. Additional costs which can appear due to the bad choice of a more expensive means of dispatch shall be supported by you.

4.3 Dispatch shall be carried out on your risk. You shall bear any risk thereto, including, but without limitation any risk of deterioration, loss, until handover to the delivery address, respectively place of use desired by us.

4.4 You are obliged to pick up on your own expensive the transport packages in due time, only if we don't agree otherwise in particular cases. In the case of regular deliveries, packaging material can be collected during a subsequent delivery, should such postponed pick up not cause additional costs or risks to the purchaser.

5.0 Provision of material

5.1 Material provided by us may only be used for and in compliance with our order. To the extent permitted by the law and under the conditions provided herein, all such material shall remain our property. It is to be stored separately and marked as our property. Wherever necessary you are obliged to clarify with third parties that the material is our property. You shall bear all the risks, such as but without limitation to the risk of accidental loss with regard to any material provided by us, as of the date of delivery. You are obliged to take out appropriate insurance cover.

5.2 Prior to the delivery of goods or services you are required to check whether the material provided by us was delivered in proper form and on time. If this is not the case, you are required to grant an extension of time and to describe again the required material to be provided by us. Clarification is to be provided at the same time as to the consequences arising - particularly, but not limited to, time schedules –, should the

extended deadline not be met by us. Should you fail to provide such clarification or if the required material to be provided by us is not described in an adequate manner, you shall not be entitled to a time extension. All our rights remain unaffected.

5.3 If the material provided by us is processed connected or inseparably mixed with materials that do not belong to us, we acquire co-ownership of the new item corresponding to the value of our material (purchase price plus VAT) to the processed, connected or mixed items at the time of processing, combining or mixing. If the connection or mixing takes place in such a manner that the supplier's item is to be regarded as the main item, then it is considered as agreed as well that the supplier transfers proportionately his co-ownership to us,; the supplier keeps the co-ownership for us. If the security rights to which we are entitled on the basis of this provision exceed the purchase price of all our still unpaid reserved goods by more than 10%, we are obliged, at your request, to release the security rights according to our choice.

5.4 If we provide the material, our liability is limited to proven willful intent, gross negligence and fraudulent behavior, as well as to claims based on product liability law and to claims for damages resulting from injury to life, body and health. Further liability is excluded.

If we provide the material, our liability is limited to proven willful intent, gross negligence and fraudulent behavior, as well as to claims for damages resulting from injury to life, body and health with the coverage stipulated in our insurance policy. Further liability is excluded.

6.0 Remuneration

6.1 Agreed prices are fixed prices.

6.2 Unless otherwise agreed in written form, all prices include costs of packaging, insurance, custom and freight until the place indicated in the order as delivery address/ place of use.

6.3 As soon as the delivery/service has been carried out, the invoice is to be submitted in an appropriate form, each indicating both the purchase order and sales order numbers and including all the information required by the law. VAT is to be shown separately in the invoice.

7.0 Terms of payment

7.1 We are entitled to deduct a cash discount of 3% from all invoice sums due to you (advance, part payments and final payments) after deduction of agreed retentions for security purposes, retentions for defects as well as for invoice adjustments providing if we pay within a period of 15 working days from receipt of your invoice, respectively the required documents/certificates as mentioned below. Within this period no interest for late payment can be charged. The due date is 15 working days as of the receipt of the invoice, respectively as of the receipt of the goods or performance of the services, if the invoice is issued prior to such receipt, and, if documentation or certificates are required together with the goods/services, the payment period shall not start until those documents have been submitted completely and in accordance with the contract. We are nevertheless entitled to deduct discounts in the case of late payments which are due to the required documents/certificates not being in proper form or due to incomplete invoicing.

7.2 We reserve the right to make payments by bank transfer, in cash or by checks upon observance of the legal provisions applicable.

7.3 The assignment of claims against us is excluded. Exceptions are only possible based on the prior parties' agreement in each case.

7.4 Any retention of title by you is excluded.

7.5 When the legally applicable stipulations provide that some taxes, fees etc. will be deducted at source, that particular deduction will be done by the company out of the amounts to be paid. However, such deduction will be done only if the party owing such taxes, fees etc. does not provide us in due time with a valid tax residence certificate.

8.0 Offsetting, settlement within the group, the retention right

8.1 You agree that we may in all cases set off our claims against your claims, no matter on which legal grounds they are based, even if the mutual claims fall due on different dates. If the claims fall due on different dates, our respective claims shall fall due at the latest on the date of maturity of our liabilities and they shall be settled taking into account the value dates. This shall also apply if one party has agreed to pay in cash and the other party is to pay by bill of exchange or by other means. If so agreed, such offsetting of claims shall only refer to the balance of accounts.

8.2 You agree that we may set off our uncontested or legally ascertained claims against all the claims you have on whatever legal grounds against companies belonging to our group of companies. In this respect, you are bound to sign the corresponding assignments of debts for each particular case.

8.3 Companies belonging to our group as per 8.2 above are:

- ECM Ingenieur-Unternehmen für Energie- und Umwelttechnik GmbH
- Finow Rohrsysteme GmbH
- GAH Pensions GmbH
- IA Tech GmbH
- Jakob Ebling Heizung Lüftung Sanitär GmbH
- IPIP S.A.
- Kraftanlagen Energies & Services GmbH
- Kraftanlagen Romania S.R.L. (Romania)

8.4 Your right of retention in respect of any goods, documents and data of any nature, made available to you by us to assist you in the performance of your obligations of delivery of goods/ fulfillment of services is excluded. The same applies for your right of retention in connection with your disputed and not yet legally ascertained counterclaims.

9.0 Deadlines, Delays in Delivery

9.1 Deadlines agreed in writing are binding. Compliance with a date of delivery or a deadline is determined by the date of receipt of the goods, respectively the date on which the service is carried out at the delivery address or point of use indicated by us, as confirmed by us.

9.2 Should you become aware that - for whatever reason - an agreed deadline cannot be met, you are required to inform us in writing without delay, indicating the reasons for and the duration of the expected delay.

9.3 There is no default of confirmation by us if the lack of confirmation of the ordered goods/services is clearly the result of a military call up, war, revolt, strike, lock-out or the occurrence of some other unforeseeable hindrance (force majeure) which are beyond our sphere of influence. If for the above- mentioned reasons we are also not able to confirm the receipt of the goods or services following a reasonable extension of the deadline, both parties are entitled to terminate the contract; claims for compensation by the supplier/ provider are in this case excluded.

9.4 Should a delivery be carried out earlier than agreed, we reserve the right to return the goods at your expense. Alternatively, the goods shall be stored by us at your expense and risk until the due delivery date. In the case of an early delivery we reserve the right not to make payment before the agreed due date

10.0 Fulfillment of a contract

10.1 You hereby guarantee and warrant that all goods supplied and all services rendered by you comply with the most up-to-date state of technology - in as much as this does not contradict acknowledged rules of technology -, with applicable legal regulations, with specifications, guidelines and technical rules and standards of the authorities, professional and trade associations. You guarantee the quality and durability of the service features or quality specifications as provided in our purchase order, respectively in the contract. You are required to consult us in case the

quality specifications or service features are not unequivocally provided in the purchase order or the contract, or in case the delivery of goods or the provision of services is not possible at the quality specifications or service features required by us on the agreed dates of delivery.

10.2 Should you have any concerns regarding the manner requested by us for performing the contract, you are required to inform us in writing immediately. In the case of deliveries/services carried out on the basis of drawings, the dimensions indicated on these drawings must be checked by you before starting. Errors of dimension on the drawings which lead to a need for alterations in production already in progress will not entitle you to any claims.

10.3 A visual inspection of your deliveries/ services for obvious or easily detectable defects will be carried out by us as soon as possible during the normal processing of the relevant order and objections will be raised. An inspection to determine full compliance with the requirements of our written purchase order can however only be carried out at a later date. Hidden defects must appear within 3 years from the reception/handing of goods or services. We will give notice of hidden defects in 2 working days from the reveal. Regarding the statute of limitation of defects liability action, a three-year term from the reveal date of the defect or the expiry of the three-year term mentioned above, during which the defect must appear, shall apply.

11.0 Rights in the case of defects

11.1 Our rights in the case of defects of goods or services are based on the legal provisions in force, in case no other rules have been agreed.

11.2 You are required to implement quality assurance that is suitable in terms of type and scope and reflects the latest state-of-art and to provide proof of such on request. If we consider this to be necessary, you shall conclude a corresponding quality assurance agreement with us. We are entitled, at any time during the duration of the contract, to carry out - or to have carried out - quality controls on your premises and the premises of your subcontractors. No quality control however shall release you in any

way from your contractual obligations and we shall not assume any additional responsibility. The material costs of the quality control shall be supported by you; we shall bear the personnel costs involved. However this shall no longer apply if considerable complaints lead to a repetition of the quality control. In this case you shall bear all personnel costs as well as any necessary expenses involved.

12.0 Liability

12.1 The liability is based on the legal provisions in force.

12.2 You shall be liable for any and all damages culpably caused to us, our employees or third parties by yourself, your employees, representatives, vicarious agents or subcontractors, whilst carrying out work on your contract with us. Should a claim be made against us due to such damage, you are obliged to indemnify us from any and all claims or costs resulting from this damage.

12.3 You are liable for any and all damages caused by yourself, your employees, representatives, vicarious agents or subcontractors by any infringement of the legislation regarding environmental protection and occupational health and safety, especially, but without limitation of the legal provisions on immission control, management of the used oil, water supply, recycling and waste management, waste storage, soil protection, environmental liability and environmental damage, as well as of the provisions of subsequent legislation based on the above legislation and of the corresponding provisions of European law. You are bound to indemnify us from any and all claims made by third parties against us due to such infringement of the above legislation.

13.0 Insurance

You have the obligation to take out adequate commercial third party liability insurance (and, if applicable, engineering liability/ professional indemnity) which is able to cover all possible claims resulting from each order and to maintain it valid during the entire duration of the contract. You will also be

obliged to take out insurance against all risks arising from product liability and environmental liability for a reasonable amount. Additionally, you are obliged to take out insurance against all in your company or in your activities existing risks of environmental damages in accordance with the Government Emergency Ordinance no. 68/ 2007 on the environmental liability, by means of an environmental damage insurance, for a reasonable amount. The insurance policies will be presented to us at our request.

14.0 Right of Termination

For infringements of essential contractual obligations, as well as for repeated infringement of the contractual obligations, we have the right to terminate this contract for cause in accordance with article 1552 of the Civil code by means of a written declaration, no notice of delay being required as the parties hereby agree that by non-complying with a contractual obligation in due time, you are rightfully in delay, no court intervention or other formalities being necessary.

Additionally, in case of your voluntary dissolution, we are entitled to terminate this agreement upon observance of a 10 days prior notice.

15.0 Miscellaneous

15.1 Strict confidentiality shall be maintained over all commercial, financial and technical details learned by you within the framework of your activities with us, which are not known to the public, as well as over all data and documentation handed over to you by us or available to you during the performance of the contract. Such details may not be disclosed by you to third parties, may not be reproduced and may be used exclusively for the performance of the contract. You will bind your subcontractors, employees, representatives, vicarious agents accordingly.

15.2 Everything that has been made (e.g. models, drawings) by you at our expense or handed over by us shall remain our property. They may not be used in any other way but for the purpose of our contract, may not be reproduced and may not be disclosed to third parties. You shall be liable for any and all damages resulting from an infringement of this obligation. Unless otherwise agreed, such models, drawings, etc. shall be returned to us at the time of delivery of the ordered goods/services. As for the goods

created by you based on our contract and which are our property as mentioned above, the price for them is included in the price of the contract; hence, you will be entitled to no additional compensation.

15.3 Without our written consent you are not authorized to use our name, information on our inquiries, purchase orders or other information to which you had access during the performance of the contract for advertising purposes and/ or for your marketing materials.

15.4 Should individual or several provisions of a contract between us become invalid, this shall not affect the validity of the other parts of the contract. The parties to the contract are obliged to replace, by additional agreements, any invalid provision as soon as possible by a valid one, which comes commercially closest to the invalid provision.

15.5 The place of performance and fulfillment of this contract is the place where your services/ deliveries are used by us; should such place not be indicated in our purchase order, it shall be the delivery address. In all other cases, including payments, the registered office of our company shall be the place of performance and fulfillment of the agreement.

15.6 The court responsible for the locality where the purchasing company is incorporated shall be competent, if no mandatory provisions apply.

15.7 These conditions are governed by the Romanian Law. Application of the rules on conflict of law and of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.