

General Conditions of Purchase

In case a third party (hereinafter: "Supplier") delivers products and/or provides assembly work and services (hereinafter: "Deliveries and/or Services") to ELCA Systems LLC or to any other entity or body corporate that is affiliated with ELCA Systems LLC (hereinafter collectively: "ELCA"), such Deliveries and/or Services are exclusively subject to the following terms and conditions (hereinafter: "GTCs"), unless from time to time agreed upon otherwise between the parties:

1. Conclusion of Contracts

1.1 Prior to acceptance by Supplier, any order of ELCA shall not be binding and may be subject to modifications.

1.2 ELCA is entitled to accept offers issued by Supplier within three weeks from their receipt, unless Supplier specifies a longer time period for its offer.

1.3 If the confirmation varies from the order ELCA is only bound thereby if it agrees to such variation in writing. In particular ELCA is subject to the general terms and conditions of the Supplier only insofar as such conform with the conditions of ELCA or if ELCA has agreed to such in writing. The acceptance of Deliveries and/or Services or the making of payments shall not imply acceptance of any conditions.

1.4 Modification or Amendments to the contracts shall only be binding if made or confirmed by ELCA in writing. All correspondence must be addressed to the purchasing department. Any agreement reached with any other department intended to vary agreed terms of the contract must be expressly confirmed by the purchasing department in writing in the form of a supplement to the contract.

2. Scope and Performance, Confidentiality

2.1 Unless otherwise stipulated in the order, the Supplier shall supply a complete Deliveries and/or Services specified in the purchase order with all components and documentation necessary for its perfect operation (even if such components are not listed individually in the order) in accordance with the qualities warranted by the Supplier. Supplier bears the risk that the Deliveries and/or Services meet all the requirements set forth in the purchase order and that acceptance of the deliveries and/or services is a precondition for any payment to be made by ELCA unless agreed upon otherwise between the parties in writing. The Supplier shall be responsible for verifying the data supplied by ELCA.

2.2 ELCA shall be entitled to modify the Deliveries and/or Services or to increase/reduce the scope of such Deliveries and/or Services.

2.3 The Supplier shall at its own costs install, maintain and subsequently remove the necessary supply line and terminals in accordance with the relevant technical regulations. Any approvals and admissions as well as the supply of all the machinery, equipment, scaffolding, lifting devices, accommodation, etc. required for the performance of the contract should be delivered by the Supplier. Upon Suppliers request, ELCA will provide Supplier with the information necessary to render the Services when both parties have agreed on beforehand.

2.4 The Deliveries and/or Services shall be performed in a workmanlike and professional manner by Supplier having a level of skill in the area commensurate with the requirements of the Deliveries and/or Services to be performed and the applicable professional standards currently recognized by such profession, particularly the RoHS directive. Supplier shall fulfil its area of expertise and furthermore employ state of the art science and technology. While performing the Deliveries and/or Services, Supplier shall observe ELCA's instructions, particular those concerning the protection of Confidential Information, (personal) data or relating to site- or IT-security.

2.5 If any supplementary work on an hourly rate basis is required, it shall only be performed on the express instruction of ELCA's purchase department. The hours worked shall be recorded by the

Supplier on ELCA's time sheets and submitted daily to ELCA's purchase department for approval by countersignature; such approval shall relate exclusively to the number of hours worked.

2.6 Should the Supplier wish to draw on Deliveries and/or Services of subcontractors for the fulfilling its obligations, the Supplier shall obtain the written consent of ELCA before signing the relevant subcontracts; ELCA shall not unreasonably refuse to give such consent. The Supplier shall continue to bear full responsibility for the performance of its obligations.

2.7 For each project Supplier shall nominate in writing a representative who is well experienced to give information and support for the performance of the project and who shall be in the position to take related decisions or specified in the contract.

2.8 ELCA shall provide only Suppliers named representative with all information and instructions necessary to perform the work and shall not issue any instructions to others of Suppliers employees. Should Supplier require additional information, Supplier shall inform ELCA immediately.

2.9 Supplier shall at ELCA's request and at any time: a. report to ELCA the computing resources used; b. give ELCA the opportunity to inspect all organisational and technical security measures concerning personal data, if the Supplier is in contact with such data; c. report to ELCA in writing to a reasonable extent on the current status of the Deliveries and/or Services to be rendered; d. allow ELCA to review all records concerning Deliveries and/or Services already rendered as well as Deliveries and/or Services to be rendered; e. provide ELCA with the opportunity of meeting Supplier's employees working on the respective project for an exchange of information and experience.

2.10 All information provided by ELCA to Supplier as well as any advice, data and information including but not limited to the results developed by Supplier under this Agreement (hereinafter referred to as "Confidential Information") shall be treated by Supplier as confidential and shall not be disclosed by Supplier to a third party or published without the prior written consent of ELCA. Supplier is prohibited to use any such Information for receiving Property Rights on it. Any Property Rights from such Information do only belong to ELCA. Supplier will limit the disclosure of Confidential Information to those of its employees who have a reasonable need to know that Confidential Information for the performance of the Deliveries and/or Services and who shall be bound to confidentiality by their employment agreements or otherwise. The obligation as per this item 2.10 shall survive any termination or completion of the Deliveries and/or Services, however, shall not apply to any Confidential Information which a. supplier can demonstrate, is already in the public domain or becomes available to the public through no breach by Supplier of this item; b. was rightfully in Supplier's possession without confidentiality obligation prior to receipt from ELCA as proved by Supplier's written records; c. can be proved to have been rightfully received by Supplier from a third party without confidentiality obligation; d. is independently developed by Supplier as provided by its written records e. is required to be disclosed by law or the rules of any governmental organisation.

3. Transfer of Risk, Dispatch, Place of Performance, Reservation of title

3.1 For both either deliveries with installation or commissioning and for services as well as in cases of delivery without installation or commissioning, the transfer of risk occurs upon acceptance by ELCA.

3.2 Immediately on receipt of the deliveries, ELCA shall inspect all incoming goods and check whether they correspond to the quantity and type ordered and whether there is any outwardly visible signs of transport damage or externally visible defects.

3.3 If ELCA discovers a defect during the abovementioned inspections it shall notify the Supplier of this. This shall also apply if ELCA discovers a defect at a later stage.

3.4 Notifications of defects may be lodged within one month after delivery or performance of the service or, where the defects are first noticed during working or processing or first use, within one month after they were first detected.

3.5 ELCA shall not be under any commitment to the Supplier to make any more extensive inspections and notifications than those specified above.

3.6 Unless otherwise agreed, the costs of delivery and packaging shall be borne by the Supplier. For pricing ex works or ex warehouse of the Supplier, transport shall be at the lowest cost insofar as ELCA has not requested a particular method of delivery. Any extra costs resulting from non-conformity with transport requirements shall be borne by the Supplier. Where the price is quoted free to recipient, ELCA may also determine the method of transportation. Any extra costs resulting from the need to meet the delivery deadline by way of expedited delivery shall be borne by the Supplier. Each delivery shall include a packing note or delivery note with details of the contents as well as a complete order number. Notice of dispatch shall be provided immediately with the same information. Please, contact ELCA for any further details.

3.7 Unless agreed otherwise place of fulfilment is at ELCA premises.

3.8 ELCA reserves title to all provided goods by ELCA. Any of such goods have to be returned by Supplier to ELCA either upon request by ELCA or after completion or termination the respective work unless the parties have agreed otherwise.

4. Work on ELCA's Work Premises

4.1 Supplier's access to ELCA sites, networks and computing facilities require ELCA's prior written consent. Any such access may be used only for the purpose of performing the Deliveries and/or Services. Supplier shall comply with all ELCA security and access requirements and shall request to be informed of the current version of such requirements before such access is being granted. Supplier shall avoid and take all reasonable steps to avoid any close integration of its employees or subcontractors into the ELCA organization and daily work processes.

4.2 In as much as Supplier has access to data of personal nature in connection with its Deliveries and/or Services, Supplier shall observe the applicable data protection laws and shall enable ELCA to obtain information and reports about the Supplier's compliance with these requirements at no additional cost. In case Supplier processes data of personal nature for ELCA as part of the Deliveries and/or Services, ELCA may request from Supplier to stipulate a separate written agreement on the processing of data of such personal nature.

4.3 Applicable law requires ELCA to certify security of ELCA data (with or without personal) and the ELCA IT-processes. Supplier shall upon ELCA's request and without additional costs to ELCA provide ELCA with information and reports demonstrating that Supplier has controls and safeguards in place designed to achieve the applicable requirements and objectives.

4.4 Supplier shall impose obligations according to this section upon its employees and upon those subcontractors or third parties who are involved in the performance of the Services as per section 2.6 of these GTCs.

4.5 When performing work on ELCA's work premises the Supplier must use its best endeavours to avoid any disruption of ELCA's operations or the operations of any third parties.

4.6 Any work performed by the Supplier shall be coordinated with ELCA's responsible technical project manager.

4.7 Prior to the commencement of assembly and/or installation work the Supplier shall take charge of and examine the premises as well as all foundations, terminals, demarcations, etc. which are relevant to the Supplier's work.

4.8 In performing the work the Supplier shall be under an obligation to exercise special care with regard to environmentally hazardous substances. If while performing the work any harmful substances are released, found or suspected, the Supplier shall immediately inform ELCA.

4.9 During the construction period the local site management set up by ELCA shall have authority to give instructions on the site. Instructions given by other departments of ELCA shall only be followed after consultation with the site management.

4.10 The Supplier shall have a qualified and experienced supervisor on the site and confer the necessary authorities to him. His replacement shall be subject to ELCA's written approval. The Supplier shall not unreasonably refuse to allow its supervisor to be replaced should this be requested by ELCA.

4.11 The Supplier shall submit to the purchase department set up by ELCA a list with the names of all staff who are intended to be assigned to ELCA's works premises, which list must be up to date

at all times. At ELCA's request the Buyer shall prove that the statutory social insurance cover for all such persons exists.

4.12 Where ELCA has good reasons for doing so, persons assigned by the Supplier may be denied access to ELCA's works premises.

4.13 The Supplier shall ensure that all of its staff follow ELCA's instructions for the maintenance of order and security, and submit to the customary control procedures.

4.14 All objects brought onto ELCA's premises shall be subject to works control. A list of these objects shall be initiated by and deposited with ELCA's technical project manager before transportation to and removal from the works premises. The Supplier and its subcontractors shall clearly and permanently mark their tools, devices and installation equipment with their names or trade names before bringing them onto the works premises. Wagons and other means of transportation shall only be cleared during office hours.

5. Remuneration, Invoicing and Payment Terms

5.1 The type of pricing and type of effort (e.g. fixed price, time and expenses) will be specified in the order.

5.2 For services, which are remunerated on time and expense basis, only such working hours shall be compensated for as is documented on Supplier's monthly activity sheets, or via other documentation as may be specified in the order, and countersigned by ELCA's project manager or his representative. Overtime (defined as working hours in excess of eight (8) hours per week day) requires prior written permission of ELCA. Specific charges, e.g. for work on Fridays or public holidays shall not be compensated. Travel time resulting from journeys by a supplier's employee of between the employee's workplace/residence and the location of work is not considered to be working time.

5.3 If the Supplier is required to provide material tests, inspection logs, quality or other documents, the Deliveries and/or Services shall only be deemed complete if the above have also been accepted.

5.4 The payment shall be deemed overdue only if ELCA does not pay in response to a payment demand notice received after payment has become due.

5.5 Payments do not constitute a recognition that any delivery or service is in accordance with the Contract.

5.6 The remuneration agreed upon in the order covers all Deliveries and/or Services to be rendered by Supplier according to the order.

5.7 Any prices any charges include all taxes, customs duties or other charges levied against the prices or charges by governmental authorities unless otherwise specified in an order.

5.8 ELCA shall not be required to pay for travel and accommodation expenses to the Supplier, unless such expenses agreed upon by ELCA in writing and conform to ELCA's current corporate travel guidelines. The invoices shall list travel/accommodation expenses separately when applicable.

5.9 Invoices shall indicate the order reference and the numbers of every single item. Invoices shall not be payable until this information is complete. Copies of invoices shall be marked as such.

6. Termination of Contract

6.1 ELCA may, in its sole discretion, terminate each contract for the performance of a continuing obligation at any time in whole or in part upon at least five days prior notice to Supplier, even if the order specifies a certain term.

6.2 ELCA shall remunerate only those efforts of Supplier that where made until the termination becomes effective.

7. Rights to the Results

7.1 All ideas, inventions, innovations, improvements, know-how, materials, works, writings, notes, reports, publications and information collected, assembled, conceived, authored, created, suggested, originated, developed, constructed, rendered or provided by Supplier as a result of or in the course of Supplier's Deliveries and/or Services (hereinafter referred to as "Results") shall be or become the sole property of ELCA at the moment the Result is being created. Supplier explicitly acknowledges that all copyrightable materials written, developed, produced, or which otherwise arise out of the Services performed by the Supplier under this Agreement shall be owned by ELCA. Supplier hereby

transfers and assigns to ELCA all right, title and interest in and to the same. If the Results consist of copyright and if for legal reasons Supplier can no become the owner of such copyright, Supplier shall grant to ELCA the unrestricted, exclusive, transferable right of use with the right to sublicense. This includes all fields of use, for example without limiting the generality of the foregoing, publication, distribution, translation, transformation, amendments. If and to the extent the Results make use of pre-existing information of the Supplier including but not limited to any kind of intellectual property rights such as patents, patent applications or copyrights (hereinafter referred to as "Background Information"), the Supplier herewith grants to ELCA the non-exclusive, perpetual, fully-paid up license to use and sublicense Background Information in any way it wants.

7.2 Results shall be delivered by Supplier upon request of ELCA or upon completion or termination of Deliveries and/or Services.

7.3 Supplier shall stipulate in all contracts with its employees that the rights as stated in 7.1 and 7.2 belong exclusively and without any limit in time to ELCA. Supplier shall impose such obligations upon any subcontractor or other third party participating in performing the Deliveries and/or Services as per item 2.6 of these GTCs.

8. Certificates of Origin, Proof of Turnover Tax, Export Restrictions

8.1 The Supplier shall promptly make available any certificates of origin requested by ELCA with all the necessary details completed and properly signed.

8.2 The Supplier shall forthwith inform ELCA if the goods to be delivered are partly or wholly subject to export restrictions under United Arab Emirates or any other law.

9. Term, Penalty for Breach

9.1 For the purpose of calculating the timeliness of delivery or performance the relevant point in time is the date of receipt by ELCA at the designated place of receipt and for the calculation of the timeliness of deliveries with installation or commissioning as well as services the relevant point in time shall be that of acceptance.

9.2 Where any delay in delivery or performance can be anticipated ELCA shall be notified immediately in order to determine its decision.

9.3 In the event that any agreed deadline is not met for reasons for which the Supplier is responsible, ELCA may charge a penalty for each commenced working day of delay amounting to 1% but not exceeding a total of 10% of the total contract price. In the event that the respective reservation of rights is not given at the time of acceptance of the delivery, services or performance, the penalty may be claimed up to the date of the final payment.

9.4 Any further rights and statutory claims of ELCA remain unaffected.

10. Demonstration of performance and acceptance

10.1 In the case of deliveries both including and excluding assembly or installation, Deliveries and/or Services shall be subject to formal acceptance by ELCA. ELCA's inspection duties shall be fulfilled by performing the acceptance inspection. Following provision of the Deliveries and/or Services ELCA shall declare readiness for acceptance in writing and request that a date be specified for the acceptance test. The acceptance inspection shall be conducted immediately and, in the case of machines and systems requiring a prior trial run, within a period specified by the Supplier. Where feasible, the machine or system may also be used for production purposes during the trial run. Test related costs incurred during the acceptance inspection shall be borne by the Supplier, The Supplier and ELCA shall each bear their own, respective personnel costs incurred during the acceptance inspection.

10.2 Should it become apparent during the acceptance test that the Deliveries and/or Services have not been produced or performed in conformity with the contract, the Supplier shall take immediate steps to ensure that such Deliveries and/or Services comply with contractual requirements. If a trial run is agreed, the trial period shall recommence following the rectification of defects. Any costs incurred as a result of a repeat acceptance test shall be borne by the Supplier.

10.3 In the event that defects are detected which neither impinge upon the performance or function of this machine or system nor have an influence on the safety and health of personnel, the Deliveries and/or Services may be accepted subject to the proviso that such defects are rectified immediately. An appropriate amount shall be deducted from the remaining payment and withheld pending rectification.

10.4 Acceptance shall be confirmed to the Supplier in ELCA's acceptance certificate.

11. Warranty

11.1 The Supplier warrants that its deliveries and performance are free from defects as to quality and defects of title for a period of three years unless the law requires a longer period. Such warranty period shall commence with the transfer of risk (Section 3.1). In case of delivery to places at which ELCA is completing performance outside of its premises or workshops, the warranty period shall commence with the acceptance by the customer, but in no case later than one year after the transfer of risk.

11.2 In the event a deficiency is detected before or at the time of transfer of risk or during the period named in Section 11.1 above the Supplier shall at its own cost and at the discretion of ELCA either rectify the deficiency or provide substitute delivery or performance. This shall also apply to any deliveries subject to inspection by sample tests. The discretion of ELCA shall be exercised fairly and reasonably.

11.3 In the event that the Supplier fails to rectify any deficiency within a reasonable time period set by ELCA, ELCA may cancel the contract in whole or in part without being subject to any liability for damages or demand a reduction of price or undertake itself any rectification or substitute performance at the cost of the Supplier or arrange for such to be done. and claim damages in lieu of performance.

11.4 Any rectification may take place without a further deadline being set and at the cost of the Supplier if delivery is after the original deadline.

11.5 The same shall apply if ELCA has a particularly strong interest in immediate rectification in order to avoid its own liability for delay or for other reasons of urgency.

11.6 The above named claims shall extinguish one year after notification of any deficiency but in no case before the expiry of the time limitations named in Section 11.1.

11.7 Additional or statutory rights are not affected hereby.

11.8 Insofar as the Supplier provides substitute performance or repairs, the periods named in 11.1 shall start to run once again.

11.9 The Supplier shall bear the costs and the risk related to the return of deficient goods.

11.10 Any item identified in the order as a ELCA provided item shall be deemed to be "as is" without any warranty and Supplier shall not rely on it. However, a reasonable time extension shall be granted to Supplier, if Supplier's delay is attributable to the ELCA provided item.

12. Infringement of Industrial and Intellectual Property rights

The Supplier guarantees that no intellectual property rights including copyrights prevent any use in terms of this contract. If the Deliveries and/or Services and/or Result or any part thereof contain any such third party intellectual property rights, confidential information or trade secrets at any time during the term specified above, Supplier shall indemnify and hold ELCA harmless from any claims related to a third party claim based on the infringement of any such third party intellectual proprietary rights, confidential information or trade secret. Supplier will guarantee in writing that he has checked the actual status of Property Rights according to the Patent Law in place in the United Arab Emirates (UAE). ELCA can demand at any time a written proof that Supplier has checked the actual situation of Property Rights.

13. Drawings and other Documents, Tools

13.1 Prior to manufacturing the machine or plant the content of all drawings shall be discussed with ELCA. After completion of the work, and no later than on the date of acceptance, the Supplier shall hand over to ELCA all drawings and calculations reflecting the state of the machine or plant as built and other technical documents concerning the goods supplied and the services performed by the Supplier in such number and form as ELCA requires. They shall be updated as soon as the Supplier carries out any subsequent changes. ELCA or third parties shall be entitled to use the drawings and other documents free of charge for the purpose of maintenance, modifications or the manufacture of spare parts.

13.2 ELCA's consent to drawings, calculations or other technical documents shall be without prejudice to the Supplier's responsibility for the proper performance of its contractual obligations. Unless the Supplier objects in writing, this also applies in respect of any proposals and recommendations of ELCA and any modifications discussed between the Supplier and ELCA.

14. Material in Support

14.1 Any material provided as support remains the property of ELCA and is to be stored, labeled and administered separately. The use of such is limited to the orders of ELCA. In the event of any reduction in value or loss the Supplier shall provide a replacement. This shall also apply to material provided for and on the supplier's account for a specific job.

14.2 Any processing or transformation of the material shall be for ELCA. ELCA shall be the immediate owner of the new or transformed object. In the event that such is not possible for legal reasons ELCA and Supplier agree that ELCA shall be the owner of the new goods at all times during any processing or transformation. The Supplier shall keep the new object safe for ELCA at no extra cost and exercise the duty of care of a merchant.

15. Tools, Patterns, Samples, etc.

Any tools, patterns, samples, models, profiles, drawings, standard sheets, printing templates and materials made available by ELCA as well as any materials derived there from shall not be made available to any third party nor used for any other purpose than those agreed between the parties except with the prior written consent of ELCA. Such materials shall be protected against unauthorized access or use. In addition to any further rights ELCA may demand that such materials be returned if the Supplier breaches these duties.

16. Spare parts and inventory availability

16.1 The Supplier shall continue to supply spare parts on reasonable terms and conditions during the standard period of use for its Deliveries and/or Services, which period shall be at least 3 years subsequent to final provision of the delivery item.

16.2 Should the Supplier discontinue deliveries of spare parts after the period referred to in Section 16.1 has expired, ELCA shall be granted the opportunity to place a final order.

17. Assignment of claims

Any assignment of claim is only allowed with the prior written approval of ELCA which shall not be unreasonably withheld.

18. Special Right of Termination

In the event that the Supplier ceases to perform, or if an interim insolvency administrator is appointed or if insolvency proceedings are commenced in relation to the assets of the Supplier, ELCA may cancel the contract in part or in whole. In case of cancellation ELCA may use existing facilities or Deliveries and/or Services of the Supplier already performed and provide reasonable payment for such.

19. Retention/Offsetting

The supplier may only exercise any right of retention or offsetting, if and to the extent its counterclaims are not disputed by ELCA or are finally awarded by a court of competent jurisdiction. The right of retention has to be notified in writing at least ten days in advance.

20. Miscellaneous

20.1 None of the rights and remedies granted to ELCA under these GTCs shall be exclusive and prevent ELCA from rights and remedies granted under governing law.

20.2 Additions and amendments to any contract concluded under these GTCs shall only be valid if made in writing and duly signed by the parties. The requirement of the written form itself can only be waived in writing.

20.3 If any provision of these GTCs or any contract concluded hereunder is held to be invalid, illegal or unenforceable under applicable law the remaining provisions shall continue to be in full force and effect. The parties undertake to replace the invalid provision or parts thereof by a new provision which will meet as closely as possible the economic effect intended by the parties at the time of the execution of the related contract.

21. Governing Law and Place of Jurisdiction

21.1 These GTCs and any contract concluded hereunder shall be subject to and construed according to the substantive law in force in the United Arab Emirates without references to its conflict of laws provisions. The application of the United Nations Convention on Contracts for International Sale of Goods of April 11, 1980 shall be excluded.

21.2 Exclusive place of jurisdiction are the United Arab Emirates (UAE).

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