

General Purchase Conditions

1. Scope and conclusion of contracts

1.1 These general purchase conditions ("Conditions") shall apply to and form an inextricable and integral part of any offer, its acceptance ("Purchase Order") or agreement of or between Voith Middle East FZE (Dubai Branch) ("Customer") and any party supplying goods or services to the Customer ("Supplier"). Other general standard terms and conditions, in particular standard terms and conditions of the Supplier, shall not apply even if they are not expressly objected to in an individual case or if ordered goods or services have been accepted without reservation.

1.2 Should an individual provision in any offer, Purchase Order or agreement be contrary to a provision of these Conditions, the individual provision of these Conditions shall prevail, unless otherwise expressly agreed between the Customer and the Supplier in writing.

1.3 Any offer, Purchase Order or agreement of or between the Customer and the Supplier for the purpose of performing the contract shall only be valid if made in writing. Transmission by fax, remote transmission or email shall meet the requirements for the written form.

2. Place of performance, delivery, consequences of failure to meet delivery times

2.1 Unless otherwise agreed, the place where the goods shall be delivered or where the services shall be rendered shall be at the premises of the Customer ("Place of Performance").

2.2 Agreed delivery times shall be binding. The Customer shall be notified immediately of any circumstances which may prevent the delivery time from being met. Delivery at the Place of Performance shall be relevant to determine whether the delivery time has been met.

2.3 Partial supplies of goods or services shall require the prior written consent of the Customer.

2.4 In case of a delay in supply, the Customer shall be entitled to demand flat-rate default damages of 1% of the price of the Purchase Order to which the delayed goods or services belong for each full week by which the supply is delayed but up to a maximum of 10% of the price of the Purchase Order to which the delayed goods or services belong. The Customer shall retain the right to prove that the losses are higher and the Supplier shall retain the right to prove that the losses are significantly lower or that no losses at all have incurred. Other rights (including, but not limited to, termination, rescission and claims for damages instead of performance) shall remain unaffected.

2.5 The unconditional acceptance of the delayed supply of goods or services shall not imply that the Customer is waiving any rights that the Customer may have to compensation on account of the delayed supply of goods or services.

3. Supply of spare parts

The Supplier shall ensure that spare parts for the goods delivered shall be available for a minimum of ten years after manufacture of the product series has ceased. The resources and drawings required to produce the spare parts shall also be kept for this period. This retention obligation shall lapse after the end of this period and written agreement by the Customer. It shall only be permitted to refuse this retention if there is a good reason to do so.

4. Prices, transfer of risk, terms of payment

4.1 Prices offered shall be binding and exclusive of statutory value-added tax, if any. Transfer of risk, scope of obligations and division of costs shall be according to the Incoterm "Delivered At Place" (DAP, Incoterms 2010).

4.2 Invoices shall be sent to the address specified in the Purchase Order and shall state the number of the Purchase Order. If the Purchase Order is missing, invoices cannot be paid and will be returned to the Supplier. The Customer shall not be responsible for delays resulting from this. A separate invoice shall be issued for each Purchase Order. The invoice shall be structured in accordance with the

Purchase Order. Any invoices for down payments and partial payments as well as final invoices shall be identified as such. If services have been rendered, worksheets (reports) signed by the Customer and the Supplier must be attached to the invoices.

4.3 Any invoice shall be settled within 30 calendar days after delivery of the goods or rendering of the services and receipt of the original invoice by the Customer.

4.4 Unconditional payments shall not constitute acceptance, approval of the goods or services supplied or the waiving of claims for defects.

5. Acceptance testing

If the Supplier has to render services, a formal acceptance of them by the Customer shall be required. The Customer may choose at its sole discretion whether to make the acceptance at the Supplier's plant or at the Place of Performance.

6. Shipping

6.1 Notification of shipment of the goods shall be given at the latest when the goods leave the Supplier's premises.

6.2 The Supplier shall specify the number of the Purchase Order and the Customer's exact delivery address on all shipping documents and delivery notes. If the Supplier fails to do so, the Supplier shall be responsible for all the resulting delays.

6.3 The applicable shipping instructions shall be specified in the Purchase Order and shall be adhered to by the Supplier.

6.4 Shipments for which the Customer is paying all or part of the freight costs shall be transported using the most cost-effective freight rates and in accordance with the Customer's shipping specifications.

7. Packaging

7.1 The Supplier shall pack the goods that need to be transported in accordance with the Purchase Order and the applicable specifications so that the goods will not be damaged if they are handled in the normal way.

7.2 Irrespective of whether the packaging concerned is transport packaging, retail packaging or an outer protective wrapping, the Supplier shall take it back after use without any additional charge and shall reuse or recycle it.

8. Notice of defects

The Customer shall check incoming deliveries of goods for correct quantities, damage during transportation and obvious defects insofar and as soon as this is expedient in the ordinary course of business. Defects shall be reported to the Supplier within a period of five working days of discovery, exclusive of the day of discovery. The Customer reserves the right to carry out more detailed checks on incoming goods.

9. Liability for defects

9.1 The Supplier warrants to the Customer that the ordered goods or services are free of defects and legal imperfections in title at the time of transfer of risk.

9.2 If the Customer informs the Supplier of the intended use and place of use of the goods or services to be supplied, the Supplier warrants that the goods or services are suitable for that use and place.

9.3 If an imperfection in title exists, the Customer shall be entitled to statutory rights.

9.4 If goods delivered are defective, notwithstanding whether the defect has arisen prior to the sale of the goods or thereafter, the Customer shall have at any time the right at its sole discretion to return the defective goods against reimbursement of any monies paid, to demand the delivery of non-defective goods or to demand a reduction in price and keep the defective goods.

9.5 If the services rendered are defective and the defect cannot be remedied, the Customer shall have the right at its sole discretion to

rescind the contract immediately. If the services rendered are defective and the defect can be remedied, the Customer shall have the right to demand from the Supplier rectification of the work within a reasonable period of time. If such period expires without the rectification of the defect having been done, the Customer shall have the right at its sole discretion to either rescind the contract immediately or to have the work completed by a third party at the expense of the Supplier.

9.6 The Supplier shall cover the transportation costs for the supply of any substitute. If removal or installation costs incur during rectification of a defect or the supply of a substitute, the Supplier shall cover these costs in cases where the Supplier had an obligation to install the supplied item as part of the supply or where the Supplier was responsible for the defect.

9.7 No claim concerning a defect shall be heard – except in cases of intention to deceive – after the expiration of 18 months starting on the day when the goods were delivered or the services were accepted after being rendered. If the Supplier meets its obligation to remedy a defect by rectification or supply of a substitute, the period of limitation for remedied goods or services shall commence anew after they have been delivered or rendered.

9.8 If claims are made against the Customer by a third party due to the infringement of third-party rights in connection with the Supplier's goods or services, the Supplier shall be obligated to indemnify the Customer against these claims at the first written request of the Customer. The Supplier's obligation to indemnify the Customer shall relate to all expenses necessarily incurred by the Customer from or in connection with the claims made against it by a third party, including, but not limited to, legal costs.

10. Software

The Customer shall receive the right to use software that is part of the scope of delivery, including, but not limited to, the documentation for it, with the agreed features and to the extent necessary for ensuring use of the software in compliance with the contract or permitted by law. Before the software is shipped or installed on a system of the Customer or its end customers, the Supplier shall check it for viruses, Trojans and other computer malware using up-to-date, customary antivirus programs and shall eliminate such malware (if any).

11. Quality assurance

11.1 The Supplier shall continuously monitor the quality of its goods by using a suitable quality assurance system, e.g. DIN EN ISO 9001 ff or a comparable system, and conduct the quality checks and inspections specified by the Customer or which are otherwise appropriate during and after the manufacture of its goods. The Supplier shall document these inspections and retain this documentation for a period of ten years.

11.2 The Customer or a person engaged by the Customer shall have the right to demand proof that the delivery items and the quality assurance system of the Supplier are of the quality specified in the contract and to satisfy itself at all times that the quality and/or the way in which the checks and inspections are carried out at the plant of the Supplier or the suppliers are adequate and to undertake acceptances or an audit in the plant of the Supplier or its sub-supplier at the Supplier's expense.

11.3 Without being requested to do so, the Supplier shall immediately in the form set out in Section 1.3 of these Conditions inform the Customer of changes in the composition of the processed material or design of its goods or services. The changes shall require the prior written consent of the Customer.

11.4 Where the Supplier intends to arrange for goods or services to be provided wholly or mainly by a sub-supplier, the Supplier shall inform the Customer beforehand and any such subcontracting shall require the prior written consent of the Customer.

11.5 The quality assurance policy of the Customer disclosed to the Supplier and the quality assurance agreements concluded with the Supplier shall be part of the contract.

12. Marketing products and product liability

12.1 The Supplier shall comply with the legal requirements that apply at its registered office and the Place of Performance.

12.2 If the Supplier supplies products which fall under the scope of application of a European Directive for first-time marketing, such as the EU Machinery Directive, Pressure Equipment Directive, EMC Directive, etc., the Supplier shall comply with the relevant health and

safety requirements and processes specified in them and issue the documents provided for in these. In case of partly completed machinery according to the EC Machinery Directive No. 2006/42/EG, the Supplier shall provide the Customer with a declaration of incorporation according to Annex II B of the EC Machinery Directive in the form requested by the Customer (extended declaration of incorporation) as well as in addition provide instructions for use in accordance with Section 1.7.4 of Annex I of the EC Machinery Directive. The Supplier shall at the request of the Customer and as chosen by the Customer hand over to the Customer the risk assessment that the Supplier has produced or allow the Customer to inspect this.

12.3 If the Supplier is responsible for damage outside the supplied goods and claims are asserted against the Customer pursuant to regulations on product liability, the Supplier shall be obligated to indemnify the Customer in this regard against claims for damages by third parties at the first time of request, if the cause of the damage is in the sphere of responsibility of the Supplier and the Supplier itself is liable in relation to third parties. As part of its liability, the Supplier shall also be obligated to reimburse any expenses incurred by the Customer from or in connection with a warning issued or recall conducted by the Customer. Where possible and reasonable, the Customer shall inform the Supplier of the content and scope of the measures to be performed and coordinate them with the Supplier. Other claims pursuant to regulations on product liability shall remain unaffected.

12.4 The Supplier shall take out product liability insurance with minimum cover of EUR 1,000,000 (or the equivalent amount in any other currency) per claim. The said insurance shall not prejudice the Customer's right to make more extensive claims for damages.

13. Safety at work, environmental protection, conflict minerals

13.1 The Supplier shall ensure that its goods and services satisfy environmental protection, accident prevention and occupational safety regulations that apply at the Customer's site or the Place of Performance as well as with other safety-related rules so that negative effects on people and the environment are avoided or reduced.

13.2 Furthermore, the goods shall not contain asbestos, biocides or radioactive material. If the goods contain such substances, the Customer shall be notified of this in writing before the delivery, stating the substance, the identification number (e.g. CAS No.) and a current safety data sheet. The supply of these delivery items shall require separate prior written consent of the Customer.

13.3 The Supplier shall through appropriate measures in its organization and with reference to its own delivery chain to work towards ensuring that the products to be delivered to the Customer do not contain conflict minerals as defined by Sections 1502 and 1504 of the Dodd-Frank Act of the United States of America (including, but not limited to, columbite-tantalite (coltan), tin, wolframite, gold and their derivatives originating from the Democratic Republic of Congo and its neighboring states).

13.4 The Supplier shall be obligated to indemnify the Customer from all liability in relation to the Supplier's non-compliance with the regulations mentioned in this Section 13 and/or to compensate the Customer for losses incurred as a result of the Supplier's non-compliance with such regulations or in relation thereto.

13.5 The Supplier shall observe the relevant rules for the disposal of waste and residual materials and make the Customer aware of any product treatment, storage and disposal requirements.

14. Reservation of ownership, models, tools, confidentiality

14.1 The Supplier shall not have any rights to reserve ownership.

14.2 Where the Customer provides the Supplier with substances, parts, containers, etc., the Customer shall retain ownership of these. The processing or transformation of these parts shall be on behalf of the Customer. If the reserved goods are processed with other items that do not belong to the Customer, the Customer shall acquire joint ownership of the new object in proportion to the value of the Customer's property in relation to the other processed items at the time of processing.

14.3 Any models and tools which are produced by the Supplier at the Customer's expense shall become the property of the Customer upon payment for them. They shall be treated with care by the Supplier, used exclusively for manufacturing the ordered goods, indicated as property of the Customer and – where possible – stored separately from the other products of the Supplier, as well as insured at the expense of the Supplier against disasters, such as fire, water,

theft, loss and other damage. The Supplier shall carry out in a timely manner any maintenance and servicing work that may be required on the models and tools and to perform maintenance and repair work at the Supplier's own cost. Resale of the items produced using these models and tools shall not be permitted without the prior written consent of the Customer.

14.4 Documents, drawings, plans and sketches and other know-how of the Customer, which the Customer entrusts to the Supplier for producing the ordered goods or services in whatever form, shall remain the property of the Customer. They are trade secrets of the Customer and shall be treated confidentially. The Supplier shall treat them with care, shall make them available only to employees who need them for fulfilling the contract and who are in turn obligated to maintain confidentiality, shall not make them available to third parties, shall make copies only for the purpose of executing the order and shall return all documents, including hard copies and soft copies of them, to the Customer upon completion of the supply of the goods or services or, if requested by the Customer, shall destroy them.

15. Data protection

The Customer shall be entitled to collect, store, use and transfer the Supplier's personal data, providing this is required for performing the legal transaction or consent has been obtained from the persons concerned. Persons concerned shall have the right to obtain information on the personal data stored about them and the purpose for which it is being processed and used. Any requests for information or the enforcement of further rights on the part of those concerned must always be submitted to the Customer and shall be provided within the framework of national legislation.

16. Origin of goods and export controls

16.1 If requested to do so by the Customer, the Supplier shall provide proof of origin that complies with the valid legal requirements on the date on which it is issued. The Supplier shall provide this for the Customer free of charge. If long-term supplier declarations are used, the Supplier shall, upon receipt of the Purchase Order, without being prompted to do so, inform the Customer of changes in the originating status. The actual country of origin shall in every case be stated in the documentation for the transaction, even if there is no eligibility for preferential customs treatment.

16.2 The Supplier shall have an obligation to instruct the Customer about any authorization obligations that may exist if the Supplier's goods are (re-) exported, as required by German, European or US American legislation as well as other applicable export and customs requirements. For this purpose, the Supplier shall provide this information in the offer and in every invoice at the relevant items for the goods: the commodity code, the AL No. (export list number) of the current version of the EC Dual Use Regulation or Part I of the export list (Annex "AL" of the German Foreign Trade and Payment Regulation) and the ECCN (Export Control Classification Number) in accordance with US American export legislation.

16.3 At the request of the Customer, the Supplier shall be obligated to inform the Customer in writing of all further foreign trade data related to the goods and their components, as well as to inform the Customer immediately in writing of all changes to the data specified in Sections 16.1 and 16.2. of these Conditions. If the above details are not provided or are provided incorrectly, the Customer shall be entitled to terminate or rescind the contract immediately without prejudice to further claims.

17. Termination and rescission rights

In addition to the Customer's rights at law, the Customer shall be entitled to terminate or rescind the contract immediately if the Supplier's financial circumstances have deteriorated significantly or there is a risk that this will occur and as a result the obligation to supply goods or services is put at risk or if insolvency occurs or if the Supplier suspends payments or if the Supplier comes under the controlling influence of a competitor of the Customer.

18. Corporate responsibility, code of conduct, minimum wage

18.1 The Supplier declares its commitment within the scope of its corporate responsibility to ensure that it complies with legal provisions, including, but not limited to, environmental protection laws, regulations relating to labor law and legislation on the maintenance of employees' health, and does not tolerate child or forced labor in or in relation to the production and sale of its goods or the rendering of its

services. Upon making an offer to the Customer, the Supplier further confirms that it shall not commit or tolerate any form of bribery and corruption. In this context, the Customer draws the Supplier's attention to the "VOITH Code of Conduct" sent to the Supplier. The Customer expects the Supplier to agree to comply with the rules and principles contained therein and provide assistance to ensure that these are observed.

18.2 The Supplier shall comply with the laws that apply in each case in respect of the general minimum wage and shall impose this obligation to the same extent on its sub-suppliers. The Supplier shall furnish proof that the above assurance has been complied with, if requested to do so by the Customer. If the above assurance is not adhered to, the Supplier shall indemnify the Customer against claims of third parties and shall reimburse fines imposed on the Customer in connection with this.

19. General provisions

19.1 The Customer and the Supplier acknowledge and agree that the Customer's and the Supplier's entitlement to rescind the contract pursuant to Section 9.5, Section 16.3 and Section 17 of these Conditions is in accordance with the meaning of "consent" and "mutual consent" under Federal Law No. 5 of 1985 as amended ("UAE Civil Code"), including, but not limited to, Article 267 of the UAE Civil Code, and that a court order according to, but not limited to, Article 271 of the UAE Civil Code shall not be required to give effect to any rescission of the contract pursuant to Section 9.5, Section 16.3 and Section 17 of these Conditions.

19.2 Persons who work on the Customer's premises or on the premises of companies associated with the Customer to perform the contract must observe the terms of the respective work rules. Liability for accidents that befall these persons on work premises shall be excluded, unless they have been caused by deliberate or grossly negligent infringement of obligations on the part of the Customer's statutory representatives or their vicarious agents.

19.3 The Supplier shall not be permitted to use inquiries, offers, Purchase Orders and the associated correspondence for advertising purposes. The Supplier shall only be allowed to use the business relationship with the Customer or use the Customer as a reference with the prior written consent of the Customer.

19.4 The Supplier shall not assign its claims or rights under the contract with the Customer without the prior written consent of the Customer.

19.5 The contractual relationship between the Customer and the Supplier shall be governed by and construed in all respects in accordance with the laws of the Emirate of Dubai and the federal laws of the United Arab Emirates. The laws of the Dubai International Financial Centre as well as the United Nations Convention on the International Sale of Goods (CISG) shall not be applicable.

19.6 Any dispute arising out of or in connection with the contractual relationship between the Customer and the Supplier, including, but not limited to, any question regarding its existence, validity or termination, shall be subject to the exclusive jurisdiction of the Courts of the Dubai International Financial Centre.

19.7 Should any provision of these Conditions, in whole or in part, be or become invalid, void or unenforceable, for whatever reason, the remaining provisions shall remain effective. In such event, the Customer and the Supplier shall replace the provision that is wholly or partially invalid, void or unenforceable with a valid and enforceable provision which comes as close as possible to the invalid, void or unenforceable provision with regard to purpose and economic considerations. The same shall apply in case it subsequently transpires that these Conditions contain unintended omissions.