

Movement by Perfection



The Royal League in ventilation, control and drive technology

General Terms and Conditions of Business

September 2017





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General Terms and Conditions of Business of ZIEHL-ABEGG India Pvt Ltd.

I. Application of the General Terms and Conditions

- 1. All deliveries, services, and offers provided by ZIEHL-ABEGG are made exclusively on the basis of (i) the proposal or quote provided by ZIEHL-ABEGG; (ii) the credit terms (if applicable); (iii) the present General Terms and Conditions (hereinafter referred to as these "Terms"); (iv) each purchase order submitted by the customer and accepted by ZIEHL-ABEGG. These General Terms and Conditions also apply to all future business relations even if not expressly agreed upon again in the future. If there is any conflict or inconsistency between the above documents, the documents will rank in order of precedence with the order in which they are listed herein
- 2. With the receipt of the goods and services by the Customer, at the latest, these Terms are deemed accepted. Counter-confirmations by the Customer with a reference to the Customer's General Terms and Conditions or General Purchase Conditions are hereby rejected. Contrary conditions of the Customer are not binding on ZIEHL-ABEGG even if the order is based upon them or if the Customer refers to them on forms or in other documents. Conflicting terms and conditions of the Customer are hereby expressly excluded.
- 3. Rights to which we are entitled according to the statutory provisions in addition to what is provided for in these Terms remain unaffected.

II. Offers, Scope of Performance

- For the scope of ZIEHL-ABEGG's deliveries and services, ZIEHL-ABEGG's written confirmation of the order is decisive or, if ZIEHL-ABEGG submits an offer with a limitation in time and such offer is timely accepted, the offer if the order is not confirmed in due time.
- 2. Illustrations, drawings, information as to weights, measures, performance, and consumption, and other descriptions of the goods in the documentation that is part of our offer are approximations only, to the extent not expressly referred to as binding. They constitute no agreement on, or guarantee of, a corresponding quality or characteristic of the goods.
- For technical reasons, ZIEHL-ABEGG's reserves the right to supply up to 5% of the delivery volume more or less when delivering consumables or small parts. There will be no refund if a lesser quantity is delivered.

- 4. Unless referring to data contained in our catalogues when placing the order, the Customer is under obligation to provide ZIEHL-ABEGG with general information as to the purpose of use, type of installation, operating conditions, and other conditions to be taken into account. The Customer shall be responsible to ZIEHL-ABEGG for ensuring the accuracy and correctness of the terms of any order (including any applicable specification) and any information submitted by the Customer, and for giving ZIEHL-ABEGG any necessary information relating to the goods to be supplied within a sufficient time to enable ZIEHL-ABEGG to perform its obligations under these
- 5. Protective devices are included in our deliveries to the extent expressly agreed upon.
- 6. ZIEHL-ABEGG unrestrictedly retains all exploitation rights under property and copyright law in all cost estimates, drawings, and other documents; such documents may not be passed on to third parties. Drawings and other documents that are part of ZIEHL-ABEGG offers must be returned to ZIEHL-ABEGG without undue delay if the order is not placed with ZIEHL-ABEGG.
- 7. Purchase order of the Customer whether sent to ZIEHL-ABEGG directly or ZIEHL-ABEGG's agents or brokers, shall not be considered to have been accepted unless expressly confirmed in writing by ZIEHL-ABEGG. The acknowledgement of receipt of a purchase order is not considered as an acceptance of the same.
- 8. ZIEHL-ABEGG reserves the right to make any changes in the specification of the goods ordered by the Customer which are required to conform with any applicable law, regulation, or safety standards which is not in existence or within the reasonable contemplation of the parties at the date of acceptance or which do not materially affect their quality or performance. If any variation in the goods to be supplied or the terms of contract is agreed or is required for compliance with any applicable law, regulation or safety recommendations, the Customer shall pay such additional amount as fair and reasonable and ZIEHL-ABEGG shall have additional time to perform the contract.
- 9. No order which has been accepted by ZIEHL-ABEGG may be cancelled by the Customer except with the written confirmation of ZIEHL-ABEGG and on terms that the Customer shall indemnify ZIEHL-ABEGG in full against all liability in relation to such cancellation (including loss of profit and the cost of all labour and materials used or appropriated to the contract).

10. Subsidiary agreements have to be proved by the Party which relies on them.

the notice of ZIEHL-ABEGG from where the invoicing has been done

III. Particularities in Case of Correspondence by Electronic Communication and Fax

- If a message (declaration of intent) is sent electronically (electronic communication), such message is deemed received by the recipient when it has been delivered to the recipient's communication device.
- A message is deemed received by the recipient by mean
 of message retrieval when it has been made available for
 retrieval in the relevant part of the sender's communication
 device and has been retrieved from such part by the
 recipient.
- 3. The contracting parties recognize the legal validity of messages transmitted according to nos. 1 and 2 above.
- 4. If correspondence between the contracting parties is exchanged by fax, the transmission report shall be deemed sufficient evidence of the receipt of our declarations.

IV. Price

- 1. In the absence of a separate agreement, ZIEHL-ABEGG's prices are ex- works including loading at ZIEHL-ABEGG's works, but excluding packaging. To these prices, Value Added Tax (VAT) or Goods & Service Tax (GST) or any other taxes, import, export, customs, or any other duties or fees, or any other similar charges, at the statutory rate applicable at the time will be added. Customer shall be liable to pay ZIEHL-ABEGG such amounts in full.
- 2. If the delivery or service is to be made or provided more than four (4) months after the conclusion of the contract, ZIEHL-ABEGG reserves the right to reasonably raise its prices if there has been a significant increase in the factors prevailing at the time the contract was entered into, that are decisive for the determination of ZIEHL-ABEGG's prices, in particular, in the cost of materials, wages, and public charges.
- 3. Further, if manufacture or delivery of goods are delayed or varied by an act or omission of the Customer, his agents or contractor for whom the Customer is responsible, ZIEHL-ABEGG shall notify the Customer of any additional costs which may be incurred as a result of such delay or variation. Such additional costs shall be borne by the Customer at actual costs.
- 4. The Customer should check the price, quantity and calculations made in the invoice thoroughly. In case of any discrepancy the same should immediately be brought to

V. Retention of Title

- 1. Until all claims against the Customer (including any and all balance receivables and current account) to which ZIEHL-ABEGG are entitled now or in the future on whatever legal grounds have been fulfilled, ZIEHL-ABEGG is granted the following security, which ZIEHL-ABEGG will release upon request at its choice to the extent that the value of such security exceeds the claims on a permanent basis by more than 20%. For the valuation of the security furnished, receivables are to be assessed at their nominal value, goods in which title is retained are to be assessed at their net purchase price - not including VAT/ GST/any other tax - as stated in the invoice, and in the case of co-ownership, the relevant share in the real value of the principal item shall be decisive. Of the value thus determined, third-party security interests that are of a higher ranking are to be deducted to the extent of the amount of the receivables to be secured with such security interests at the time the request for release is
- 2. All goods supplied remain ZIEHL-ABEGG's property until all its claims under the business relationship, including claims that have not as yet become due, are settled in full. This also applies if the balance is recognized. In this case, the retention of title serves as security for the claim resulting from the balance. The Customer is obligated to handle the goods in which title is retained with due care for the duration of the retention of title. In particular, the Customer is under obligation to adequately insure the goods at their replacement value, at the Customer's own expense, against damage by fire, water, and theft. The Customer assigns to ZIEHL-ABEGG already now all claims for compensation arising from such insurance. ZIEHL-ABEGG hereby accepts the assignment. If an assignment is not permissible, the Customer hereby irrevocably instructs its insurer to make payments, if any, exclusively to ZIEHL-ABEGG. Further, reaching claims on ZIEHL-ABEGG's part remains unaffected. At ZIEHL-ABEGG's request, the Customer must furnish ZIEHL-ABEGG with evidence of the conclusion of the insurance contract.
- 3. The Customer is entitled to resell or process the supplied goods in the ordinary course of business. In the event of a resale, the Customer's claim against its purchaser, which the Customer assigns to ZIEHL-ABEGG with all ancillary rights already now to the extent of all ZIEHL-ABEGG's claims, replaces the goods supplied. ZIEHL-ABEGG accepts this assignment already now. If an assignment is not permissible, the Customer hereby irrevocably instructs its purchaser to make payments, if

any, exclusively to ZIEHL-ABEGG. Until revocation, the Customer is entitled to collect the receivable. All amounts collected must be deposited collectively and must be remitted to ZIEHL-ABEGG by the Customer until all ZIEHL-ABEGG's claims have been settled in full. If the Customer's purchaser pays by bank transfer, the Customer assigns to ZIEHL-ABEGG already now its claim against the relevant financial institution under such transfer. ZIEHL-ABEGG accepts this assignment already now. At ZIEHL-ABEGG's request, the Customer must give ZIEHL-ABEGG all information and allow ZIEHL-ABEGG to inspect the records.

- 4. To the extent that the Customer processes goods in which title is retained, the contracting parties agree that such processing shall occur on ZIEHL-ABEGG's behalf so that ZIEHL-ABEGG become the owner of the new items. The Customer's expectant right (expectant rights) in the goods in which title is retained continues to a corresponding extent in the processed or transformed item. If the processing costs considerably exceed the value of ZIEHL-ABEGG's goods, the contracting parties agree that the goods shall be processed also on ZIEHL-ABEGG's behalf and that ZIEHL-ABEGG acquires co-ownership of the new item in proportion to the ratio of the invoice value of ZIEHL-ABEGG's goods to the value of the new item at the time of processing. If the Customer combines goods in which title is retained with another item such that ZIEHL-ABEGG's goods become an essential part of another item that is then to be deemed the principal item, the Customer transfers to ZIEHL-ABEGG already now the proportionate co-ownership of the new item. The Customer shall keep such new items in custody for ZIEHL-ABEGG free of charge. In the event of a resale, the foregoing provisions apply correspondingly.
- 5. If, upon conclusion of the contract, ZIEHL-ABEGG becomes aware of facts that give rise to justified doubts about the Customer's creditworthiness, or if the Customer defaults in the settlement of a liability in relation to us, ZIEHL-ABEGG is entitled to rescind the contract without setting an additional period for performance and to demand by way of security that the goods of which ZIEHL-ABEGG is the owner or co-owner be surrendered to ZIEHL-ABEGG until all ZIEHL-ABEGG's claims have been settled in full.
- 6. In the event that third parties seize or impound goods of which ZIEHL-ABEGG is the owner or co-owner or receivables to which ZIEHL-ABEGG is entitled, the Customer must furnish the third party or the executory officer without undue delay with evidence of ZIEHL-ABEGG's ownership of, or title to, the item; moreover, the Customer must notify ZIEHL-ABEGG without undue delay of these measures and assist ZIEHL-ABEGG in whatever manner in the protection of ZIEHL-ABEGG's rights. If ZIEHL-ABEGG impounds the goods, such impoundment

- shall not to be deemed a waiver of ZIEHL-ABEGG's retention of title or a rescission of the contract.
- 7. In case of payment arrears ZIEHL-ABEGG is entitled to forbid the further processing of goods supplied, to claim restitution of the goods and, at ZIEHL-ABEGG's discretion, if required to enter the premises of the Customer and to remove the goods.
- The goods of which ZIEHL-ABEGG is the owner or co-owner may not be assigned to third parties by way of security, pledged, or encumbered in any other manner.
- 9. If goods are delivered to countries with a different legal system where the provisions on a retention of title pursuant to nos. 1 to 6 above provide less protection than in the country where ZIEHL-ABEGG has its registered office, the Customer hereby grants ZIEHL-ABEGG a security interest that is customary in such country and that is, in economic terms, equivalent to the retention of title in the country in which ZIEHL-ABEGG has its registered office. If further declarations or acts are necessary for this purpose, the Customer shall do all within his power to grant ZIEHL-ABEGG this security interest immediately. The Customer shall assist ZIEHL-ABEGG with all measures that are necessary and useful to ensure the validity and enforceability of any such security interest.

VI. Terms of Payment

- 1. To the extent not otherwise agreed, ZIEHL-ABEGG's invoices are payable without deduction ten (10) days after they are issued. Payment in cash or by bill of exchange is accepted only on the basis of a special agreement. Despite provisions of the Customer to the contrary, ZIEHL-ABEGG is entitled to count payments first towards older debts of the Customer, in which case we will inform the Customer of the type of settlement made. If costs and interest have already been incurred, we are entitled to count the payment first towards the costs, then towards the interest, and finally towards the principal performance.
- Payments will be deemed made only when ZIEHL-ABEGG can dispose of the amount. In the case of a cheque, payment is deemed made only when the cheque is realized.
- 3. If the Customer defaults in payment, ZIEHL-ABEGG is entitled to claim interest at a rate of 8% above the basic interest rate applicable at the time p.a. from the relevant point in time. ZIEHL-ABEGG reserves its right to assert further claims for damages. The Customer shall also indemnify ZIEHL-ABEGG against any legal fees and other costs for collection and may cancel the contract and any other contracts and suspend deliveries and performance.

- 4. If ZIEHL-ABEGG becomes aware of circumstances that give rise to doubts about the Customer's creditworthiness, in particular, if a cheque cannot be cashed or if payments are suspended, or if ZIEHL-ABEGG becomes aware of other circumstances that give rise to doubts about the Customer's creditworthiness, ZIEHL-ABEGG is entitled to demand the payment of the entire remainder of the debt even if ZIEHL-ABEGG has accepted cheques. In this case, ZIEHL-ABEGG is further entitled to demand advance payments or the provision of security.
- 5. Counter-claims on the part of the Customer entitle the Customer to a setoff only if these claims have been established by a final declaratory judgment or if they are undisputed. The Customer may assert a right to retention only if the Customer's counter-claim is based on the same contractual relationship.

VII. Delivery and Service Periods

- 1. Delivery dates or periods, which may be agreed upon as binding or non-binding, must be agreed upon in writing.
- 2. ZIEHL-ABEGG is not liable for delays in delivery or performance that occur due to force majeure or because of events that considerably complicate ZIEHL-ABEGG's delivery or make delivery impossible - these events particularly include strikes, lock-outs, official orders, etc., even if the same occur at ZIEHL-ABEGG's suppliers or their sub-suppliers - even if periods and dates have been bindingly agreed upon. Such events entitle ZIEHL-ABEGG to delay the delivery or service for the duration of the impediment plus a reasonable start-up period. If such events considerably change the economic importance or the content of the delivery or service or if they have a significant impact on ZIEHL-ABEGG's business operation, we may additionally demand that the contract be reasonably adjusted. If the impediment continues more than one (1) month, ZIEHL-ABEGG is entitled to rescind the contract in whole or in part because of the unfulfilled part of the contract. If ZIEHL-ABEGG wishes to make use of this rescission right, ZIEHL-ABEGG must notify the Customer of such intent after it has become aware of the importance of the relevant event. If, because of such events, the delivery period is extended or ZIEHL-ABEGG is released from our obligation to perform, this does not give rise to claims for damages on the part of the Customer. However, ZIEHL-ABEGG may plead the aforementioned circumstances only if ZIEHL-ABEGG has notified the Customer accordingly.
- 3. If ZIEHL-ABEGG is liable for non-compliance with bindingly agreed periods and dates for performance or if ZIEHL-ABEGG is in delay, the Customer's claim is limited to compensation in an amount equal to 0.5% for each

- entire week of delay, in total, however, to a maximum of up to 5% of the invoice value of the deliveries and services concerned by the delay. Additional claims are excluded unless the delay is based at least on gross negligence.
- ZIEHL-ABEGG is entitled to make part deliveries and to perform in part unless this is an unacceptable burden to the customer
- 5. Compliance with ZIEHL-ABEGG's obligation to deliver and perform requires the timely and proper fulfillment of the Customer's obligations.
- 6. The delivery period is deemed to have been met if the goods have left the works, or if ZIEHL-ABEGG has given notice of the goods being ready for dispatch, by the time the delivery period expires. The delivery is subject to the condition that we are timely and properly supplied ourselves.
- 7. In the event of a delay in delivery, the Customer is entitled to rescind the contract if, upon occurrence of the delay in delivery, the Customer sets an additional period for performance with the warning that performance will not be accepted after the expiration of this additional period and said period expires to no avail.
- 8. If the Customer defaults in acceptance, we are entitled to claim compensation for the damage incurred by ZIEHL-ABEGG; with the occurrence of the default in acceptance, the risks of accidental deterioration and accidental loss or destruction pass to the Customer.

VIII. Supply of Software

- 1. If software is supplied, the Customer is granted a non-exclusive and non-transferable license to use the software and the related documentation for the operation of the goods for which the software is supplied. Except as stated herein, the Customer is not granted any other right with regard to the software and the software related documentation. Without limiting the aforegoing, the license in particular does not include the right to modify, create derivative works, disassemble, make copies except for one back-up copy, references to authors, series numbers, reverse engineer, de-compile or otherwise use the software and/or software related documentation.
- 2. The Customer is obligated to prevent unauthorized access to the software and the documentation by third parties by taking appropriate precautions. The Customer must store the original data storage media supplied and the back-up copy at a place that is secured against unauthorized access by third parties. The Customer must insistently

- point out to its staff the duty to comply with the present terms of supply and with the provisions of copyright law.
- ZIEHL-ABEGG's liability for the loss or alteration of data is limited to the typical cost of restoration that would be incurred if back-up copies were made at regular intervals and according to risk.
- All copyright and other proprietary notices placed on the software supplied by ZIEHL-ABEGG shall be maintained by the Customer.

IX. Passing of Risk and Receipt

- 1. The risk passes to the Customer no later than with the dispatch of the parts to be delivered, even if part deliveries are made or if ZIEHL-ABEGG has assumed further obligations, e.g., the shipping costs or delivery and installation. If shipment becomes impossible without fault on our part, the risk passes to the Customer with the Customer's notification of the goods being ready for dispatch.
- If there is a delay in shipment due to circumstances for which the Customer is responsible, the risk passes to the Customer from the day the goods are ready for dispatch.
- The Customer must take delivery of the delivered items even if they have minor defects.

X. Claims based on Defects

- 1. The Customer may not refuse to accept deliveries because of insignificant defects. Obvious defects and defects that are identifiable on a due inspection are to be notified in writing no later than eight (8) days after handover of the goods to the Customer. Other (hidden) defects shall be notified to ZIEHL-ABEGG in writing no later than eight (8) days after they are discovered. Notifications of defects shall be sent in writing to our registered office in Pune; notifications of defects to field staff, carriers or other third parties are not regarded as submitted in due form and time. After an agreed acceptance has taken place, any complaint about defects which should have been discovered in the course of acceptance procedure is excluded.
- 2. In the event the Customer complains about defects, the Customer has to give to ZIEHL-ABEGG an opportunity to examine/inspect the goods alleged to be defective without delay; at ZIEHL-ABEGG's request, the goods alleged to be defective or a sample of the same must be made available to ZIEHL-ABEGG for examination/inspection. In the event the complaints are unjustified, ZIEHL-ABEGG reserves the right to charge the freight and re-shipment

- costs as well as the costs of examination.
- 3. ZIEHL-ABEGG assumes liability for a specific application or specific suitability only if this was agreed explicitly in writing. Otherwise, the Customer bears the risk of suitability and utilization. If ZIEHL-ABEGG informed the Customer of technical framework conditions or other specifications in regard of utilization, the Customer shall be responsible for compliance. It shall inform its buyers of these specifications and oblige them to comply. ZIEHL-ABEGG's liability is excluded for defects that result from use of the goods in a way that does not conform to the specifications. Claims based on defects are excluded in particular if and insofar as damage to the delivered item or to other assets of the Customer is caused as follows:
 - a. incorrect processing, assembly or treatment;
 - b. incorrect installation of the delivery item by the Customer or a third party, except where the incorrect installation is based on our instructions, whereby our field staff are not authorized to issue instructions;
 - c. non-compliance with instructions on commissioning, possible applications and operation of the delivery item contained in the documentation of the delivery item, operating instructions or instructions that we issued;
 - d. normal wear and tear that cannot be ascribed to production or material defects;
 - e. inappropriate handling or repairs of the goods by the Customer or third parties that were carried out inappropriately, in particular on interference by nonqualified persons or use of non-original spare parts or resources.
- 4. ZIEHL-ABEGG does not assume any liability either for defects for which the Customer is responsible or that are due to a technical cause other than the original defect.
- 5. If a defect exists and the goods must be returned to ZIEHL-ABEGG, the return shipment may be made only with ZIEHL-ABEGG's prior written consent. Return shipments made without ZIEHL-ABEGG's prior written consent need not be accepted. In any such case, the Customer must bear the cost of the return shipment.
- If, due to a justified notification of defects, goods are repaired or a replacement delivery is made, the provisions in Section VII concerning delivery periods apply correspondingly.
- 7. The existence of a defect that has been established as such and that has been notified to ZIEHL-ABEGG in due form and time gives rise to the following rights of the Customer:

- a. If a defect exists, the Customer may first demand that ZIEHL-ABEGG removes the defect or makes a replacement delivery ("subsequent performance"). ZIEHL-ABEGG will choose in its discretion whether to replace the item or whether to remove the defect, unless clause X. 5 c) applies. If the defect is removed, in so far as the notification of defects proves justified, ZIEHL-ABEGG is obligated to bear the following direct expenses, borne by ZIEHL-ABEGG, necessary for the removal of the defect, in particular, transportation and travel expenses and the cost of ZIEHL-ABEGG's own labour and materials, to the extent that such costs and expenses are not increased due to the fact that the goods have been brought to a place other than the delivery address. This is limited to those costs that arise or would arise in regard to the delivery address for the goods. If the goods are shipped to an address other than the delivery address, the Customer must bear the extra costs that this causes, if the shipment was not part of the delivery contract between the Customer and ZIEHL-ABEGG.
- b. ZIEHL-ABEGG shall be entitled at its option to employ third parties to carry out repair works or a replacement delivery. This does not establish a contractual relationship between the Customer and the third party. In this case, ZIEHL-ABEGG's liability does not go further than if ZIEHL-ABEGG had carried out the works or the delivery itself. Additionally, if an attempt at subsequent performance fails, subject to clause X. 5 c) we have the right to make a new attempt, again reserving the right to choose between a repair and the new delivery of the item. Only when the repeated subsequent performance fails, too, does the Customer have the right to rescind the contract or to reduce the purchase price.
- c. Regulations in relation to a subsequent performance, for example pursuant to clause X. 5 a) or X. 5 b), do not apply insofar as these regulations would cause an unacceptable burden to the Customer, for example in the case of an unjustified refusal or unacceptable delay of the subsequent performance.
- d. If a notification of defect by the Customer proves to be unjustified, the Customer must reimburse us for all costs and expenditure that this caused.

XI. Warranty

 Determination of the suitability of the goods supplied hereunder for the uses and applications contemplated by the Customer and others shall be the sole responsibility of the Customer. ZIEHL-ABEGG warrants that the goods delivered hereunder meet the Customer's specifications on the date of production. ZIEHL-ABEGG makes no other express warranties; there are no implied warranties including without limitation merchantability or fitness for a particular purpose. The Customer assumes all risk and liability for all loss, damage or injury to person or property, including without limitation pollution, environmental damage and restoration liability, resulting from (i) the use of said goods in manufacturing processes or in combination with other substances, or otherwise and (ii) the handling and disposal of the goods.

XII. Liability

- 2. To the extend permissible by law and regardless of the nature of the claim, ZIEHL-ABEGG's contractual and extra contractual liability shall be limited, at ZEIHL-ABEGG's sole discretion, to the replacement or reimbursement of the price of the goods that is defective. The failure to give written notice of claim within thirty (30) days from the date of delivery, or the date fixed for delivery, as the case may be, shall constitute waiver by Customer of all claims in respect of such goods. In no event shall ZIEHL-ABEGG be liable for special, indirect or consequential damages of any kind including without limitation Customer's manufacturing costs, lost profits or goodwill, regardless of the form or basis of any action.
- No repair of defects, replacement delivery or payment of damages may be regarded as recognition of a legal obligation unless in a specific case we agreed otherwise in writing.

XIII. Other Duties by the Customer, Export Control

- 1. The Customer may not alter the goods in any respect that is relevant for safety; in particular, the Customer may not alter or remove existing warnings of dangers in case of improper use of the contractual goods. If this duty is violated, the Customer must internally indemnify and hold ZIELH-ABEGG harmless from and against product liability claims of third parties to the extent that the Customer is responsible for the defect giving rise to liability.
- 2. If ZIEHL-ABEGG must issue a product recall or a product warning because of a product defect concerning the goods, the Customer will assist ZIEHL-ABEGG and take all reasonable measures ordered by ZIEHL-ABEGG. The Customer is obligated to bear the cost of the product recall or product warning to the extent that according to the principles of product liability law, the Customer is liable for the product defect and the damage sustained. Further-reaching claims on ZIEHL-ABEGG's part remain unaffected.

- The Customer shall notify ZIEHL-ABEGG without undue delay of any risks in the use of the contractual goods and of possible product defects of which the Customer becomes aware.
- 4. The supply of goods (products, software, technology) in the performance of this contract may be subject to export restrictions or prohibitions. The Customer shall comply with all applicable export control regulations and corresponding restrictions. This particularly applies to Indian, European, German and, if relevant, provisions of US law relating to (re-) exports. In the case of a re-sale / forwarding of the supplied goods, the Customer shall draw the recipient's attention to the provisions of export control law.
- 5. In particular, the Customer shall ensure that goods are not used, either directly or indirectly, for a purpose that is connected in any way to chemical, biological or nuclear weapons and their carrying systems. Furthermore, the Customer shall ensure that the items are not put, either directly or indirectly, to a military end-use in a country subject to a weapons embargo. The Customer shall not sell, export, re-export, supply, forward the goods or otherwise make them available to persons, companies, facilities, organizations or in countries, either directly or indirectly, if doing so would violate Indian, European, German or any other applicable export control laws and regulations, including U.S. provisions relating to (re-) exports.
- The Customer shall, on request, provide end use certificates in order to prove the final destination and enduse of the products required for the application of any exports licenses or approvals.
- The Customer shall be fully liable for any loss suffered by ZIEHL-ABEGG that has been caused by its failure to comply with the applicable export control provisions, including Indian/US (re-)export provisions.
- 8. The performance of the contract and corresponding obligations are subject to the condition that the required export or transfer authorizations, approvals or any other authorizations stipulated by foreign trade law or clearances by the competent authorities are issued and that there are no other legal restrictions owing to provisions of export control law that must be complied with. The Supplier is entitled to terminate the contract without notice if termination on part of the Supplier is required for compliance with national or international legal regulations. In the event of such termination, the assertion for any claim for damages or the assertion of other rights by the Customer based on the termination shall be excluded.

The Customer shall be responsible for all taxes, charges

and duties in connection with the service outside the Republic of India and compensate us if applicable.

XIV. Intellectual Property Rights

- 1. The intellectual property rights such as trademarks, copyrights, designs, patents, held by ZIEHL-ABEGG, its affiliates, licensors relating to goods tendered or supplied by ZIEHL-ABEGG shall remain the absolute property of ZIEHL-ABEGG and its licensors. ZIEHL-ABEGG's designs, and drawings shall not be reproduced or disclosed without ZIEHL-ABEGG's prior written consent. The Customer will not, without ZIEHL-ABEGG's prior written consent, copy or allow others to copy any drawings or designs, goods or part thereof supplied by ZIEHL-ABEGG.
- 2. In the event of any claim or claims in respect of an infringement of any intellectual property rights, relating to any part of the goods supplied by ZIEHL-ABEGG (other than a part based on the design specified by the Customer) ZIEHL-ABEGG may in its sole and absolute discretion and at its expense either replace or modify such part with a non-infringing part or procure for the Customer the right to use such a part provided (a) ZIEHL-ABEGG is given the full opportunity to conduct all negotiations in respect of such claim and such claim shall not be accepted by the Customer without prior written consent of ZIEHL-ABEGG; (b) the Customer promptly notifies ZIEHL-ABEGG in writing of any such claim being made or action threaten or brought against the Customer; (c) the Customer provides ZIEHL-ABEGG of all reasonable information, co-operation and assistance.
- 3. Notwithstanding any other provision of the agreement, ZIEHL-ABEGG will not be liable in any case whatsoever where the claim is based on:
 - a. Specifications that the Customer provided to ZIEHL-ABEGG;
 - b. Where the Customer has combined ZIEHL-ABEGG's goods with non-ZIEHL-ABEGG goods, data or business processess; and
 - c. Where the Customer has altered or modified the goods.

XV. Confidentiality

The contracting parties are under obligation to maintain, for an unlimited period of time, the confidentiality of any and all information that becomes available to them and is referred to as confidential or can be recognized as a trade or business secret according to other circumstances, and they may neither record nor pass on or exploit such

information. The contracting parties shall ensure through adequate contractual arrangements with their employees and agents that the latter, too, refrain for an unlimited period of time from the exploitation, circulation, or unauthorized recording of such trade or business secrets on their own behalf

XVI. Suspension and Termination

- 1. If the Customer fails to pay any sum due under the contract by the due date, ZIEHL-ABEGG may by written notice, in addition to any other rights it may have, suspend the supply of the goods and/or services, until all the overdue amounts are paid without any liability to the Customer. The Customer will be liable to ZIEHL-ABEGG for all expenses, including reasonable legal fees, relating to the collection of overdue amounts.
- 2. ZIEHL-ABEGG shall be entitled to terminate the contract by providing notice to the Customer if (i) the Customer goes into liquidation, has a receiver or receiver and manager appointed to it or any part of its assets, enters into a scheme of arrangement with creditors or suffers any other form of external administration (or the equivalent under the laws of another jurisdiction or (ii) if the Customer fails to pay any invoice within [___] days of it becoming due.
- Any termination of the agreement will not affect any rights or obligations which by their nature continue beyond the effective date of termination, including this clause XVI, clause XV(Confidentiality) and clause XII (Limitation of liability).

XVII. Miscellaneous

- The transfer of rights and obligations of the Customer to third parties is subject to ZIEHL-ABEGG's prior written consent.
- Nothing contained or implied in the agreement will create a relationship of partnership or agency between the parties and neither party has any authority to bind the other party to any obligations.
- The legal relations between the contracting parties shall be governed by the laws of India, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 4. Any notice required or permitted to be given by either party to the other under these Terms shall be in writing addressed to that other party at its registered office or principle place of business or such other address as may

be notified pursuant to this provision to the other party. Such notice shall be deemed to have been received immediately in the case of a facsimile transmission or on the first business day thereafter if the date of transmission was not a business day and 24 hours after posting if sent by registered post or the first business day thereafter if the date of deemed reception was not a business day.

- 5. The Parties agree to submit to the exclusive jurisdiction of courts of Pune, India for all disputes arising from the business relationship between the contracting parties. Notwithstanding the above, ZIEHL-ABEGG shall at its choice also be entitled to bring an action against the Customer's at the Customer's principal place of business, as well as at any other permissible place of jurisdiction.
- 6. The place of performance for all performances owed by the contracting parties shall be the place where ZIEHL-ABEGG has its registered office.
- No waiver by ZIEHL-ABEGG or any breach of the Contract by the Customer shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 8. If a provision in this agreement is or becomes invalid or impracticable in whole or in part or if there is a gap in this agreement, this shall not affect the validity of the remaining provisions hereof. Instead of an invalid provision the statutory provisions shall apply. If a provision in this agreement is or becomes unenforceable and the statutory provisions should result in a unreasonable solution for either Party, a provision corresponding to what would have been agreed upon according to the purpose of this agreement if the contracting parties had considered the relevant issue from the beginning shall be deemed agreed upon. The preceding sentence shall apply correspondingly in the event of a gap.

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