

## GENERAL TERMS AND CONDITIONS

### I. Scope

1. These present terms and conditions shall apply to all business transactions entered into and executed by and between Wuerth Industrial Services India Pvt. Ltd (*"Wuerth/ Seller"*) and its customer/s (*"customer"*). These terms and conditions shall be read in conjunction with the Order Confirmation and both these documents shall together be considered as a legally binding agreement on both the parties (*"Agreement"*).
2. The Agreement shall apply exclusively to all business transactions executed by both the parties.
3. This Agreement shall prevail over any previously executed agreement, contract, and purchase order entered into by both the parties.
4. Any legally relevant representations and notices to be made to Wuerth by the customer after execution of the contract (incl. deadlines or grace periods, notices of defects, revocation of the contract or price reductions) shall be made in writing and shall only be effective upon receiving an acceptance/ approval from Wuerth.
5. References to statutory provisions are for clarification purposes only. Even without such references, legal regulations and statutory provisions generally apply without limitation unless they are expressly changed or excluded in these terms.

### II. Contractual Relationship:

1. Wuerth's offers are without engagement. This provision also applies if Wuerth provides the customer with catalogs, technical documentation or other product information and documents subject to retention of title and copyrights.
2. The placing of an order by the customer itself constitutes a binding contract. Unless otherwise

specified in the order, Wuerth may accept the customer's contract offer within 4 weeks upon receipt of the order vide an Order confirmation.

3. Delivery contracts shall only enter into force upon a written acceptance or shipment of the goods at the latest. Transmitting acceptance via telecommunication/email shall be deemed a valid written acceptance.
4. In the event Wuerth uses telecommunications or other electronic media service to conclude a contract, the customer hereby waives his right to appropriate, effective and accessible technical means for the detection and correction of type errors and to a confirmation of receipt of the order. Any electronically transmitted order shall not be deemed received until downloaded and opened by Wuerth.

### III. Terms of payment:

1. All prices are quoted ex warehouse and subject to VAT at the rate in effect at the time the invoice is issued.
2. In the event of a sales shipment (Section VI, paragraph 1), the customer shall bear all shipping costs ex warehouse and any transport insurance fees if an insurance is requested by the customer, if not expressly stated otherwise.
3. In the event of rejection or return of goods the customer shall communicate the same to Wuerth's authorized representative/s within 45 days of receipt of material at the customers' end. Wuerth shall then arrange for a requisite mode of transport to get the rejected/ returned goods back to the warehouse. In case the customer does not communicate the same to Wuerth within 45 days of receipt of material, Wuerth reserves the right to not accept the goods & the customer shall be obliged to pay for the goods in full within a stipulated time.

4. In the event Wuerth agrees to take back goods which have already been delivered, Wuerth is liable to charge a restocking fee of up to 20 % of the value of the goods to be restocked (agreed gross purchase price) for the additional expenses incurred, but not less than INR 500 per occurrence, unless the customer has a legal right to return the goods.
5. Wuerth charges a minimum quantity surcharge for small orders with a delivery value of less than INR 5000 to an amount of 500INR.
6. Unless agreed otherwise, the agreed purchase price of each purchase order shall be due and payable within 30 days of the invoice date.
7. The customer is considered to be in default once the payment term specified in paragraph 6 above expires. In the event of default, the customer shall be entitled to payment of the unpaid amount along with an interest at the rate of 18% until the date of payment. Wuerth reserves the right to make additional claims for losses caused by default which the customer agrees to pay forthwith without any objections.
8. The customer may only claim a set-off or exercise its right of retention to the extent that its claim is uncontested or has become res judicata. Nothing in these terms shall exclude any opposing rights the customer may have in the event of defective deliveries.
9. Should it become apparent after conclusion of the contract that Wuerth's claim to the purchase price is jeopardized by the customer's inability to perform (e.g. the customer files for bankruptcy); Wuerth may refuse performance and - after setting a reasonable grace period - revoke the contract in accordance with statutory requirements. Subject to the statutory provisions on the immediate revocation of a contract, Wuerth may revoke a contract governing the sales of unmarketable items (products made to specification) with immediate effect. Upon termination of the contract, the parties shall be liable to the post termination practice as given in Clause X

herein below.

10. Provided there are already outstanding claims for payment under the ongoing business relationship with the customer, Wuerth may refuse further deliveries until the customer has settled all claims in full. The above provision applies mutatis mutandis to any credit lines granted by Wuerth.
  
11. If the customer fails to pay the outstanding purchase price even though payment is overdue, this failure shall grant Wuerth to terminate this Agreement, retain the customers goods and resort to legal measures as given in clause \_\_\_\_ below.

#### IV. Retention of title

1. Wuerth will retain legal ownership of the goods sold until full payment is received for all present and future claims arising out of the corresponding sales contracts and the current business transaction (*"secured claims"*)
  
2. Any goods subject to retention of title may not be pledged or offered as security to third parties by the customer until all secured claims have been paid in full. The customer shall notify Wuerth immediately of any attempt by third parties to seize such goods.
  
3. Any breach of contract on the part of the customer including, without limitation, nonpayment of the payable purchase price, shall authorize Wuerth to revoke the contract in compliance with statutory provisions and demand the return of the goods sold on the basis of the retention of title and Wuerth's revocation of the contract. If the customer fails to pay the payable purchase price, Wuerth may only exercise the aforementioned rights after having set a reasonable grace period unless such a grace period can be dispensed with in accordance with statutory requirements.

#### V. Delivery periods, delivery dates, acts of God and delays in delivery

1. Delivery and/or performance periods and delivery and/or performance dates are agreed individually and/or specified by Wuerth upon acceptance of the order.
2. The beginning of the individually agreed or specified delivery or performance periods is subject to the successful clarification of all technical questions.
3. Wuerth's observation of the delivery or performance periods is further subject to the customer's due and timely compliance with all contractual obligations. Wuerth reserves the right to refuse performance if the customer fails to render the agreed consideration.
4. Wuerth shall give the customer prompt written notice in the event of failure to or delay in performance of deliveries or other obligations by sub-suppliers or subcontractors, in whole or in part, due to events of force majeure and lasting more than 14 calendar days. In this case Wuerth may delay performance of the delivery or other obligation by a period of time equal to the duration of the obstacle to performance. If the event of force majeure continues for a period of 30 days, this Agreement shall stand terminated. In that event, the customer shall clear all dues pending to be paid to Wuerth for the work done till the date of termination. Further, within 30 days of the date of termination, the customer shall make arrangements to get their pending stock, if any, stocked at the premises of Wuerth, back to the customers facilities. In case of default, Wuerth shall adhere to clause \_\_ below.
5. The rights of the customer set forth in Section IX below and Wuerth's legal rights including, without limitation, the exclusion of contractual obligations (e.g. due to impossibility of performance, unreasonable hardship, liquidation and/or provision of a remedy) remain unaffected by these provisions.

#### VI. Delivery, transfer of risk, delays in acceptance

1. Delivery is effected ex warehouse, which is also the place of performance. Upon request and at the expense of the customer, the goods can be shipped to a different destination. Unless

otherwise expressly agreed, Wuerth may choose the method of shipping (including, without limitation, carrier, dispatch route and packaging).

2. Wuerth may perform partial deliveries, provided this does not have any negative consequences on the customer.
3. Wuerth reserves the right to deliver consumables in commercially standardized quantities, i.e. short or excess deliveries, provided these deliveries remain within reasonable bounds and do not conflict with the customer's interests.
4. The risk of accidental loss of or accidental damage to the goods shall be passed to the customer when the goods are handed over to the customer by Wuerth and the liability on Wuerth shall in that instance terminate. Upon delivery, Wuerth shall not be held liable or responsible for any damage/ destruction/ impairment that may occur to the goods. The customer fully indemnifies Wuerth of the same.
5. In case of a sales shipment, the risk of accidental loss of or accidental damage to the goods as well as the risk of delay already passes on to the customer upon delivery of the goods to the forwarder, carrier or other third party authorized to collect the goods. In the event of default of acceptance, the risk shall pass to the customer upon default.
6. In case the customer is in default of acceptance, fails to cooperate or is otherwise responsible for delaying Wuerth's delivery, Wuerth may claim compensation for the damage incurred including any additional expenses (such as storage costs).

#### VII. Property rights, provision of documents

1. The customer shall inform Wuerth without delay of any property right claims of third parties pertaining to the products delivered by Wuerth. Wuerth may, but is not obliged to, defend these rights at its own cost and for its own benefit.

2. The customer warrants that any accompanying goods, services and documentation provided by the customer are free of third-party rights. The customer shall indemnify Wuerth against any claims of third parties arising out of the infringement of third-party rights.
  
3. By providing documents to Wuerth, the customer grants Wuerth the non-exclusive right to use these documents for the contractually agreed purposes anywhere and for an unlimited period of time. In the event of product inquiries based on documents provided by the customer such as drawings and specifications (parts made to order), Wuerth may provide these documents to upstream manufacturing companies to complete the inquiry process and perform the contract through sub-suppliers. Should the customers demand change to the specifications or additional specifications when inquiring about parts made to order without making these changes or additional specifications or drawings available to Wuerth, Wuerth may change or amend the existing drawings or specifications accordingly. However, if adherence to such changes exceeds the timeline initially agreed to by the customer and Wuerth, the customer agrees and confirms to comply with the extended timeline as would be required by Wuerth.

#### VIII. Claims for defects of the customer

1. Unless otherwise provided below, the rights of the customer in the event of material and/or legal defects are subject to statutory requirements.
  
2. The legal basis for any liability for defects on the part of Wuerth shall be the agreement made concerning the quality of the goods. Agreements on the quality of the goods include all product descriptions and specifications which are either contained in Wuerth's catalogs on the basis of the corresponding standards (e.g. DIN, ISO) or provided to Wuerth by the customer and expressly approved by Wuerth.
  
3. Any claim made by the customer based on any defect in the quality or condition of the goods is

subject to the customer having fulfilled its legal obligations to examine the goods upon delivery and notify Wuerth of any defects. Any defect discovered during examination or later shall be notified to Wuerth in writing within 45 days. Without prejudice to the above examination and notification obligations, the customer shall inform Wuerth in writing of any obvious defects (including wrong and short shipments) by mailing a corresponding notice within two weeks after delivery. In the event the customer fails to duly observe its examination and/or notification obligations, Wuerth will not accept liability for any defects not notified to it.

4. Should the goods delivered be defective, Wuerth reserves the right to choose an appropriate remedy either by repairing the defect (rectification) or providing goods free of defects (replacement).
5. The customer shall give Wuerth a reasonable period of time and the opportunity to provide the required remedy including, without limitation, returning the defective goods to Wuerth for examination purposes. In the event of replacement, the customer shall return the defective goods to Wuerth in accordance with statutory requirements. Any remedy provided by Wuerth does not include the removal nor the reinstallation of the defective goods unless the installation was originally carried out by Wuerth.
6. In the event the goods are defective, all costs incurred during the examination of the goods and the provision of a remedy including, without limitation, transport, travel, work and material costs (not removal or installation costs) shall be borne by Wuerth. Should the claim of the customer turn out to be unjustified, Wuerth is liable to demand reimbursement of all costs incurred in connection with the customer's claim and the customer shall be required to make the necessary payment within 7 working days of the said demand. Any delay in making the said payment shall attract interest @18% for each day of delayed payment. In the event Wuerth fails to remedy a defect or a reasonable grace period set by the customer expires without any results or can be dispensed with in accordance with statutory provisions, the customer may revoke the



contract or reduce the purchase price in compliance with clause X hereunder. The customer has no right to revoke the contract if the defect is immaterial.

#### IX. Other liability

1. Unless otherwise specified in these terms and conditions including the following provisions, Wuerth shall be liable for any breach of its contractual obligations in accordance with this agreement.
  
2. Nothing in these terms shall exclude or limit Wuerth's liability for claims based on willfulness or gross negligence howsoever arising on its part. In the event of ordinary negligence, Wuerth shall only be liable for (a) death or personal injury; (b) material breaches of contractual obligations (obligations essential for the proper performance of the contract the compliance with which the contracting partner may generally trust in). In such a case Wuerth's liability shall, however, be limited to the foreseeable damage normally covered by a contract.

#### X. Liquidation:

1. The customer agrees to abide by and follow the terms and conditions governing the said transaction between Wuerth and the Customer. In case of (i) non - compliance in accepting an order placed by the customer or untimely rejection of a placed order; or (ii) failure to abide by the post termination procedure, Wuerth reserves the right to stock the items in its facilities for an extended duration of 30 days from the date of non - compliance, at additional applicable charges to be paid by the customer. In case of failure to accept goods by the customer thereafter, Wuerth shall be entitled to take the following actions, with full and valid consent of the customer -
  - a. Wuerth shall transport the goods back to the appropriate vendor - The customer shall be liable for the applicable transportation charges as accrued by Wuerth. Additionally, the customer shall also be liable for the necessary stocking charges (w/ interest) as would be charged by Wuerth for the additional duration that the goods remain pending in Wuerth facilities beyond the 30 day timeline

until transportation to vendor;

- b. If the vendor does not accept return of goods, Wuerth shall scrap the goods at the cost of the customer. Wuerth will issue the invoice for the same or forward those costs to the customer.
2. All charges as would be applicable in clause X(a) and X(b) above shall include interest @18% for the extended duration that the stocks lie in the facilities of Wuerth. The customer agrees that the charges as would be conveyed by Wuerth in writing to the customer shall be paid within 15 working days of Wuerth sending a written document entailing the applicable charges.
3. Further, if the customer terminates the contract prior to the date of expiration of this contract and any incomplete purchase order exists at that moment, the customer shall be liable towards full and final payment of that purchase order OR towards payment as accrued by Wuerth in returning the goods back to the necessary vendor, as clearly detailed above. In case of non-acceptance of the goods by the vendor, the customer shall pay Wuerth the applicable scrapping cost in compliance with the above, with applicable interest within 15 days of the said termination.
4. Default/ non - compliance on the part of the customer to make the necessary payment within 15 days shall necessitate Wuerth to take necessary legal action in conformity with clause XII hereunder.

#### XI. Hydrogen embrittlement

1. Wuerth and the customer are aware of the numerous possible causes and problems of hydrogen-induced cracking, particularly in galvanized, high-strength and/or case-hardened items with an ultimate tensile strength of 1000 N/mm<sup>2</sup> or more and core or surface hardness of 320 HV or more, as specified in DIN EN ISO 4042. Wuerth cannot guarantee the complete elimination of hydrogen embrittlement risks.

2. In the event the risk of hydrogen embrittlement in the goods delivered by Wuerth needs to be reduced even further in special individual applications due to construction requirements or for safety reasons, the customer and Wuerth shall conclude a separate agreement on the process structure and material procurement to limit the above-mentioned risks.
3. The DIN EN ISO 4042 standard is an integral part of all agreements concluded between Wuerth and the customer.
4. Color changes of the surfaces are no subject of claims as long as the DIN/ISO standards are being met.

#### XII. Applicable law and place of jurisdiction

This Agreement shall be governed by the laws of India and the Courts at Pune shall have full and final jurisdiction on matters arising from and under this Agreement.

#### XIII. Force Majeure

Notwithstanding anything contained in this Agreement, the obligation of either Party shall remain suspended and the First Party / Wuerth, as the case may be, shall not be entitled to claim compensation from each other for any loss or damage caused by such suspension whether total or partial, by reasons of fire, flood, earthquake other extreme natural events, riots, war, restrictions imposed by Government, Act of Legislature or other authority or Acts of God. The operation of this Agreement shall be resumed as soon as any such condition or circumstance has been removed, if within 15 days of occurrence. On the occurrence of a force majeure as above, the First Party/ Wuerth, as the case may be, shall give notice in writing of such occurrence to the other Party with all details and supporting evidence thereof, within 3 days of such occurrence. If the Force Majeure event continues to persist beyond 15 days, this Agreement shall be deemed to be terminated.

IN WITNESS WHEREOF, THE PARTIES HAVE SET THEIR RESPECTIVE HANDS TO THESE PRESENTS ON THE DAY, MONTH AND YEAR FIRST ABOVE MENTIONED

SIGNED SEALED AND DELIVERED

By the within named **SUPPLIER**

**WUERTH INDUSTRIAL SERVICES INDIA PVT. LTD.**

Through its authorized Signatory

MR. \_\_\_\_\_

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**SUPPLIER**

SIGNED SEALED AND DELIVERED

By the within named **Customer**

\_\_\_\_\_

Through its authorized Signatory,

MR. \_\_\_\_\_

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CUSTOMER

In the presence of the Witnesses:

1. Name-

Address-

Signature-

2. Name-

Address-

Signature-