



General Terms and Conditions of Purchase

For EBZ SysTec Inc. (EBZ USA)

I. Interpretation

1. Defined Terms

In these Terms:

"Buyer"	means EBZ SysTec Inc. , a Michigan corporation;
"Contract"	means the contract for the sale and purchase of the Goods and the supply and acquisition of the Services;
"Delivery Address"	means the address stated in the Order;
"Goods"	means the goods (including any installment of the goods or any part of them) described in the Order;
"Order"	means the Buyer's purchase order to which these Terms are annexed;
"Price"	means the price of Goods and/or the charge for the Services;
"Seller"	means the person so described in the Order;
"Services"	means the services (if any) described in the Order;
"Specification"	includes any plans, drawings, data or other information relating to the Goods or Services;
"Terms"	means the standard terms of purchase set out in this document and (unless the context otherwise requires) includes any special terms agreed in Writing between the Buyer and the Seller;
"Writing",	and any similar expression, includes facsimile transmission and comparable means of communication, but not electronic mail.

2. Statutory References

Any reference in these Terms to a statute or a provision of a statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

3. Headings

The headings in these terms are for convenience only and shall not affect their interpretation.

II. Basis of Purchase

- (a) The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services subject to these Terms.
- (b) These Terms shall apply to the Contract and to any Order to the exclusion of any other terms on which any quotation has been given to the Buyer or subject to which an Order is accepted or purported to be accepted by the Seller.
- (c) The Order will lapse unless unconditionally accepted by the Seller in Writing within eight (8) business days of its date. Acceptance of the Order may be made by signing and returning the attached acknowledgement copy hereof, by other express acceptance, or by shipment of Goods or delivery of Services hereunder. If Seller uses its own order acknowledgement or other form to accept the Order, it is understood that said form shall be used for convenience only and any terms or conditions contained therein inconsistent with or in addition to those contained herein shall be of no force or effect whatsoever between the parties.
- (d) No variation to the Order or these Terms shall be binding unless agreed in Writing between the authorized representatives of the Buyer and the Seller.



III. Specifications

- (a)** The quantity, quality and description of the Goods and the Services shall, subject as provided in these Terms, be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the seller in Writing by the Buyer.
- (b)** Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be exclusive property of the Buyer, and the Seller assigns with full title guarantee to the Buyer all such copyright, design rights and other intellectual property for no further consideration, subject only to the payment of the Price. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required for the purpose of the Contract.
- (c)** The Seller shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and the performance of the Services.
- (d)** The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to shipment, and the Seller shall provide the Buyer with all facilities reasonably required for inspection and testing.
- (e)** If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller within seven (7) days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance.
- (f)** The Goods shall be marked in accordance with the Buyer's instruction and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

IV. Prices

- (a)** The Price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be:
 - exclusive of any applicable franchise taxes, sales or use taxes (which shall be payable by the Buyer); and
 - inclusive of all charges of packing, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies other than value added taxes.
- (b)** The Supplier shall be responsible for all other taxes, assessments, permits and fees, however designated, that are levied upon the Contract, the Order or the Goods and Services, except for taxes based upon the income of the Buyer. No taxes of any type shall be added to invoice without the prior approval of the Buyer in Writing.
- (c)** No increase in the Price may be made (whether on account of increased material, labor or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in Writing.
- (d)** The Seller will give the Buyer the benefit of any Price reduction occurring before the specified delivery date or the actual delivery date, which is later. The Seller warrants that the Price for the Goods is not less favorable than the price currently extended to any other customer of the Seller for the same or similar articles in similar quantities.
- (e)** The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Seller, whether or not shown on its own term of sale or provided for in the Contract.



V. Terms of Payment

- (a) The Seller may invoice the Buyer on or at any time after delivery of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order, project number, works of origin, place of receipt, identification number, material master number/material master description, quantities and quantity units as well as VAT number (for imports from the EU). The Seller shall invoice in a single copy. Originals of all invoices, government and commercial bills of lading and air express receipts shall be sent by mail to the Buyer at

22251 Diesel Drive
McCalla, AL 35111
USA

Postal address:
PO Box 160
McCalla, AL 35111
USA

Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services within thirty (30) days after the end of the month of receipt by the Buyer of a proper invoice or, if later, after acceptance of the Goods or Services in question by the buyer.

- (b) The Buyer may set off against the Price any sums owed to the Buyer by the Seller.

VI. Delivery and Acceptance

- (a) The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order, in either case during the Buyer's usual business hours.
- (b) Where the date of delivery of the Goods or of performance of the Services is to be specified after the placing of the Order, the Seller shall give the Buyer reasonable notice of the specified date.
- (c) The time of delivery of the Goods and of the performance of the Services is of essence of the Contract.
- (d) Packing slips must accompany each case, parcel or container, showing the Buyer's order number, item number, and a complete description of its contents.
- (e) The Seller shall notify the Buyer in Writing upon receipt of the Order if any of the Goods are subject to laws or regulations relating to hazardous or toxic substances, or when disposed of, to regulations governing hazardous waste, or to any other environmental, safety, or health regulations. The Seller shall provide any necessary shipping certificates and instructions for shipping, safety, handling, exposure and disposal in a form sufficient for use by Buyer's non-technical personnel specific enough to identify all action the user has to take in regard to the material.
- (f) If the Goods are to be delivered, or the Services are to be performed, by installments, the Contract will be treated as a single contract and not severable.
- (g) The Buyer may reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has reasonable time to inspect them following delivery or, within a reasonable time after any latent defect in the Goods has become apparent.
- (h) The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Good and performance of the Services.



- (i) The Buyer shall not be obliged to return to the Seller any packaging or packaging materials for the Goods, whether or not any Goods are accepted by the Buyer.
- (j) If the Goods are not delivered or the Services are not performed on the due date then, without limiting any other remedy, the Buyer shall be entitled to deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damage for delay one percent (1 %) of the Price for every day of delay, up to the maximum of twenty percent (20 %) of total sum. In addition the Buyer reserves the right to return any or all Goods in unopened original packing to the Seller if delivered to the Buyer more than ten (10) days after the due date.

VII. Risk of Loss and Passage of Title

- (a) Risk of damage to or loss of the Goods shall pass the Buyer on delivery in accordance with the Contract.
- (b) Title in the Goods shall pass to the Buyer on delivery, unless payment for the Goods is made prior to delivery, when it shall pass to the Buyer once payment has been made and the Goods have been appropriate to the Contract.

VIII. Warranties and Liability

- (a) The Seller warrants to the Buyer that the Goods and their packing and labeling shall be in merchantable condition and shall be free from defects in design, material and workmanship and shall be in conformity with any relevant Specification or sample.
- (b) The Seller warrants that the Goods shall be fit for such particular purposes and uses, if any, as specified by the Buyer or otherwise known to the Seller or held out by Seller and shall comply with all statutory requirements and regulations relating to the sale of Goods.
- (c) The Seller warrants that the Goods shall be free and clear of any lien or other adverse claim against title.
- (d) The Seller warrants to the Buyer that the Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Buyer to expect in all the circumstances.
- (e) The Seller warrants that all goods and services supplied pursuant to the Order will be in compliance with all applicable federal and state laws, ordinances and regulations, including – but not limited – to those concerned with labor, environment and safety.
- (f) All warranties contained herein shall survive inspection, test and acceptance by the Buyer.
- (g) Without limiting any other remedy, if any Goods or Services are not supplied or performed in accordance with the Contract, than the Buyer shall be entitled:
 - to require the Seller, without expense to the Buyer, to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within fourteen (14) days; or
 - at the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or supply any replacement Goods or Services, to treat the contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.
- (h) The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with:
 - breach of any warranty given by the Seller in relation to the Goods or the Services;
 - any claim that the Goods infringe, or the importation, use or resale, infringes, the patent, copyright, design right, trade mark or other intellectual property rights of any other



- person, except to the extent that the claim arises from compliance with any Specification supplied by the Buyer;
- any claims made against the Buyer based upon, relating to, or arising out of any claimed defects in the Goods or Services ordered hereunder.
 - any alleged violation by the Goods or in the manufacture or sale of the Goods of any statute, ordinance, or administrative order, rule or regulation;
 - any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods; and
 - any act or omission of any of the Seller's personnel in connection with the performance of the Services.
- (i) The Seller's warranties (and any consumer warranties, service policies or similar undertakings of the Seller) shall be enforceable by the Buyer's customers and any subsequent owner or operator of the Goods as well as by the Buyer.
- (j) Neither the Seller nor the Buyer shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods or the Services, if the delay or failure is beyond that party's reasonable control. Without limiting the foregoing, the following shall be regarded as causes beyond either party's reasonable control:
- act of God, explosion, flood, tempest, fire or accident;
 - war or threat war, sabotage, insurrection, civil disturbance or requisition;
 - acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;
 - import or export regulations or embargoes;
 - strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of either the Seller or the Buyer or of a third party);
 - difficulties in obtaining raw materials, labor, fuel, parts of machinery;
 - power failure or breakdown in machinery.

IX. Order Cancellation and Contract Termination

- (a) The Buyer may cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery or performance, in which event the Buyer's sole liability shall be to pay the Seller the Price of the Goods or Services in respect of which the Buyer has exercised its right of cancellation, less the Seller's net saving of cost arising from cancellation.
- (b) The Buyer may terminate the contract without liability to the Seller by giving notice to the Seller at any time in the event of:
- the liquidation or insolvency of the Seller; or
 - the appointment of a receiver or similar officer for the Seller; or
 - the assignment by the Seller for the benefit of all or substantially all of its creditors;
 - the entry by the Seller into an agreement for the composition, extension, or readjustment of all or substantially all of its obligations;
 - the filing of a petition in bankruptcy by or against the Seller under any bankruptcy or debtor's law for its relief or reorganization which is not dismissed within ninety (90) days;
 - the Seller ceasing, or threatening to cease, to carry on business; or
 - the Buyer reasonably apprehending that any of the events mentioned above is about to occur in relation to the Seller and the Buyer notifies the Seller accordingly.

X. Miscellaneous



- (a)** The Order is personal to the Seller and the Seller shall not assign or transfer or purport to assign to any other person any of its rights or sub-contract any of its obligations under the Contract.
- (b)** A 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 principal place of business or such other address as may at the relevant time have been notified under this provision to the party giving the notice.
- (c)** No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.
- (d)** If any provision of these Terms is held by any court or other competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Terms and the remainder of the provision in question shall not be affected.
- (e)** The Contract, these Terms, the Order and any other documents mentioned herein constitute the entire agreement between the parties on this subject. All prior representations or arrangements on this subject matter are superseded by these Terms.
- (f)** The Contract, these Terms and the Order shall be construed in accordance with, and all disputes shall be governed by, the federal laws of the United States of America and all state laws of Alabama, specifically including the provisions of the Uniform Commercial Codes as adopted by that state.

The United Nations Convention on Contracts for the International Sale of Goods (CISG) dated April 11th, 1980 shall be excluded.

The Seller agrees to submit to the jurisdiction of the courts of Alabama in the event of any proceedings therein in connection herewith.