

## **1. General, Conclusion of Contract**

- 1.1 Any legal relationship between the supplier and Pearl Metal Products (Bangalore) Ltd. ("Customer") is subject to the following general terms and conditions. Conditions by the supplier as well as deviating agreements will be applicable only if confirmed in written form by the Customer. Neither the fact that the Customer does not expressly object to an agreement, nor the acceptance or payment of the goods or services by the Customer shall be construed as an acknowledgement.
- 1.2 The Customer shall be entitled to cancel the contract free of charge in case the supplier should disagree with these general terms and conditions.
- 1.3 All agreements and legally relevant declarations of the parties to the contract must be in writing in order to be valid.
- 1.4 If the supplier fails to accept the order within two (2) weeks of receipt, the Customer shall have the right to cancel the order at any time.

## **2. Scope of Supplies and Services**

- 2.1 The supplies and services of the supplier are exhaustively specified in the order and in appendices thereto.
- 2.2 The supplier shall ensure that he will, in good time, have obtained all information relevant for the intended use of his supplies and services. The supplier guarantees that his deliveries include all performances required for their correct, safe and economic use.
- 2.3 The supplied goods must be packaged appropriately and in conformity with industry practice. The Customer shall be entitled to instruct the supplier as to the type and method of packing. If he Customer returns reusable packing material freight prepaid to the supplier, the Customer will be credited the value of the packing material.

## **3. Prices**

- 3.1 The agreed prices are fixed prices.
- 3.2 Unless otherwise agreed, all prices shall be deemed to be DAP (as per INCOTERMS® 2010, with the exception, however, of Excise Duties which shall be payable by the supplier) to a location determined by the Customer and shall include packing and conservation.

## **4. Terms of Payment**

- 4.1 The terms of payment shall be as agreed upon in writing between the Customer and the supplier from time to time.
- 4.2 In the event of a faulty delivery the Customer shall be entitled to withhold payment proportionate to value until proper performance.
- 4.3 To the extent material test certificates have been agreed these shall form an integral part of the delivery and sent to the Customer together with the delivery.
- 4.4 Unless otherwise agreed, the supplier is not entitled to assign a claim against the Customer to a third party or to have such claim collected by a third party.

## **5. Provision of Accessories**

The Customer reserves the right of ownership of all substances, parts, containers, tools, measuring instruments or substances or similar items (each, an "Accessory") provided to the supplier. The Accessories provided by the Customer shall exclusively serve for processing and fulfilling the order. Neither Accessories nor copies or duplicates thereof may be made available to any third party and may not be used for any other purposes than the agreed upon purpose. The Customer shall reserve the right of ownership of the provided Accessories even after processing and assembly through the supplier. Furthermore, the supplier shall not

have any rights of retention on whatever basis to the Accessories.

## **6. Term of Delivery**

- 6.1 The delivery time as set out in the Customer's order or agreed otherwise is binding and is of the essence of the contract.
- 6.2 The customer shall be entitled to claim liquidated damages for delayed delivery in so far as it can be proved that the delay has been caused through the fault of the supplier. Damages for delayed delivery amount to one per cent (1.0%) of the contract price of the supplies in delay for every full week's delay and shall in no case whatsoever altogether exceed ten per cent (10.0%) of the contract price of the supplies in delay.

## **7. Quality Control**

- 7.1 The supplier shall implement a quality control system of an adequate type and scope that complies with state-of-the-art technology. The supplier undertakes to enter into a corresponding agreement with the Customer if the latter deems this necessary.
- 7.2 The Customer will inspect the incoming goods only with respect to externally apparent defects and externally apparent deviations in identity or volume. The Customer will give notice of such defects without undue delay, but reserves the right to conduct additional inspections of incoming goods. Furthermore, the Customer will also give notice of defects as soon as such defects have been detected

## **8. Warranty, Liability for Defects**

- 8.1 The supplier represents and warrants that the supplies and services will meet the agreed upon specifications.
- 8.2 Unless otherwise agreed, the warranty period is twenty-four (24) months as from the date of the Customer's receipt of the supply. For replaced or repaired parts the warranty period starts anew on the date of repair or replacement.
- 8.3 If the supplies and services do not correspond to the agreed upon specifications, the Customer shall be entitled to statutory claims.

## **9. Events of Force Majeure**

No failure by either of the parties in the performance of its obligation shall be deemed a breach of the contract or create any liability for damages if it results from a cause beyond the control of such party.

## **10. Confidentiality**

The supplier undertakes to keep all figures, drawings, calculations or any other documentation and information received from the Customer strictly confidential.

## **11. Jurisdiction and Applicable Law**

- 11.1 The place of jurisdiction for both the Customer and the supplier shall be **Bangalore** (India). The Customer shall, however, be entitled to sue the supplier at the latter's registered address.
- 11.2 The contract shall be governed by Indian law, under exclusion of the Vienna United Nations convention on contracts for international sale of goods of April 11, 1980.