

General Conditions of Purchase for the Award of Contracts for Services and Works and for the Purchase of Goods by DISPLAY INTERNATIONAL

Preamble

These General Terms and Conditions of Purchase shall apply to all future individual contracts between DISPLAY INTERNATIONAL (hereinafter: DI) and the contracting partner - with the simultaneous exclusion of the contracting partner's own General Terms and Conditions with different wording.

The acceptance of contractual services by DI does not imply any agreement with the General Contractual Terms and Conditions of the contracting partner. This shall also apply if the contract is executed by DI without reservation in the knowledge of deviating general terms and conditions of the Contractor.

These General Terms and Conditions of Purchase shall apply to all business relations with contracting partners and suppliers of DI if the contracting partner or supplier is an entrepreneur (Article 14 German Civil Code), a legal entity under public law or a special fund under public law.

A) Award of Contracts for Work and Services

I. Components of the Contract

Contractual components for the award of works are

- the contract with its specifications;
- a building permit issued for the performance object to which the contract with the contracting partner relates;
- all mandatory regulations of public law including the relevant accident prevention regulations applicable at the place of performance, technical building regulations of the local authorities, the regulations of occupational health and safety, insofar as they apply to the object of performance at the place of performance;
- the respective trade fair regulations at the place of performance;
- the plans and sketches handed over by DI to the contracting partner for the execution of its performance;
- the products and materials as well as material samples and material specimens agreed as part of the contracting partner's performance;
- the schedule for the contractual services of the contracting partner;
- these General Terms and Conditions of Contract;
- the recognised rules of technology;
- the VOB/C including its regulations on general ancillary services applicable to the contractual performance of the contracting partner;
- German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

In the event of a recognisable contradiction of the content of these contractual components, the contracting partner is obliged to point out this contradiction to DI.

Plans, sketches or materials provided by DI may not be made accessible to third parties, reproduced or used for purposes other than the purpose of the contract without DI's consent. They shall be returned to DI upon request, without the contracting partner having a right of retention to the aforementioned documents.

II. Contract Conclusion Regulations / Changes to the Contractual Performance

Orders from DI are placed only on the terms and conditions stated in DI's order letter and order confirmation and in accordance with the contents of these General Terms and Conditions of Contract.

Orders and agreements on changes to agreements made are only binding in writing.

The above two paragraphs also apply to addenda to a contract.

III. Regulations on Contractual Services

(1) The contracting partner may only use as a basis for the execution of the contract documents which DI has expressly released for the contractual performance when placing the order or executing the contract.

Other information, including indications of dimensions and weights, quantities, prices, other descriptions and other data as contained in catalogues, circulars, advertisements or price lists, are only approximate values and are not contractually binding as long as they have not been expressly included in the contract or released by DI for the contractual performance.

If the contracting partner has reservations about the content of the documents marked and released by DI from a technical point of view, it is obliged to notify DI of these reservations in writing without delay, stating all reasons.

(2) Agreed products and materials as well as agreed materials and material samples may not be replaced by similar products and materials without DI's consent.

(3) Certificates and material samples for fire testing shall be provided by the contracting partner for the fire brigade without additional remuneration, insofar as this is requested by the fire brigade or by DI.

(4) DI is authorised to order changes to the contractual performance or additional services vis-à-vis the contracting partner, insofar as the latter's business is suitable for carrying out corresponding services.

If the calculation basis of the agreed contract price changes due to DI's arrangement, the contracting partner and DI shall be entitled to a change in remuneration. This claim must be notified to the other party without delay.

If no agreement is reached on the new remuneration, the contractual partner shall nevertheless be obliged to perform the ordered change or additional service. Due to the lack of price agreement, the contractual partner shall not be entitled to any objections or defences vis-à-vis DI with regard to the performance of the service. The new remuneration shall be agreed on the basis of the previous contract prices or on the basis of the additional or lower costs incurred by the contractual partner due to the changed performance or the additional performance, whereby the contractual partner may always demand an appropriate surcharge for general business costs as well as for risk and profit.

If changes to DI's performance lead to a longer execution time for the overall performance, the contracting partner must notify DI of this immediately upon receipt of the change order and submit a new execution schedule.

DI is entitled to withdraw the ordered change in performance after such notice by the contracting partner, without the contracting partner being able to derive any remuneration claims against DI from this.

If the change order remains in force, the contractual agreement on the change of performance has been made.

Additional remuneration claims of the contracting partner due to the extension of the performance time shall also be remunerated - if necessary subsequently in accordance with (4) para. 3 - on the basis of the foundations of the previous contract prices or, if these foundations are not used, on the basis of the additional costs incurred by the contracting partner due to the extension of the performance time. The contracting partner shall be obliged to execute even if the execution time is longer. Due to the lack of a price agreement, he shall not be entitled to any objections or defences against DI for performance within an extended performance period.

(5) All agreed delivery and execution dates, including interim dates and dates for modification services, are fixed and binding subject to (III 4). They must be observed by the contracting partner without fail.

DI is authorised to require the contracting partner to intensify the contractual performance in order to ensure the timely completion of the contractual performance. If the contracting partner is not responsible for the reasons for the intensification of performance, the statutory legal consequences shall apply in the event that such intensification of performance is ordered, unless otherwise stipulated in the contract. Remuneration claims to which the contracting partner may be entitled as a result of DI's intensification order shall be calculated in accordance with No. III 4.

(6) The contractual performance of the contracting partner and the agreed contractual prices shall include, without express mention in the list of services, subject to No. III (4), all necessary costs for the production and transport of the service components, for assembly and dismantling as well as the travel wage costs, travel costs, board and lodging costs, all expenses, all hotel and other ancillary assembly costs, overtime surcharges necessary for the proper and timely

fulfilment of the contract as well as all levies, fees and contributions which the contracting partner has to pay for the provision of its contractual performance.

Lit. B applies to the pricing of the purchase of goods.

(7) DI shall not enter into any contractual legal relationships with the contracting partner's subcontractors in the event of its own payments to the contracting partner's subcontractors without express agreement.

(8) Upon completion of the contractual performance, the contracting partner shall return storage and workplaces as well as access points provided by DI for the performance of the contract to the condition in which they were provided to the contracting partner at the beginning of the performance. The contracting partner shall be obliged to transport, set up, provide and dismantle the site equipment at the beginning of its contractual performance, during the entire performance period and at the end of its contractual performance.

In order to ensure safety, the place of performance of the contracting partner's work shall be kept clean and in proper condition at all times by the contracting partner or cleaned by DI on the instructions of the site management.

The contracting partner shall also be responsible for the proper safekeeping of the work equipment, work clothes, etc. used by it or its subcontractors, even if these items are owned or co-owned by DI.

(9) If planning services are the subject of its commissioned scope of services, the contracting partner shall be obliged to perform these services in accordance with all contractual documents handed over to it by DI and in accordance with a building permit under public law as well as all public law requirements and all other relevant statutory regulations including the relevant trade fair regulations applicable at the place of performance and at any place of manufacture of the contractual service.

(10) The contracting partner may only subcontract the performance of the delivery/service or material parts thereof with DI's prior written consent, and DI may not unreasonably withhold its consent to the engagement of subcontractors.

(11) If the contracting partner exceeds the contractually agreed performance period due to force majeure, DI may either grant the contracting partner a reasonable period of grace to perform the contract or - with regard to services not yet performed - terminate the contract with the contracting partner. This is a contractual, extraordinary special right of termination. In this case, the remuneration of the contracting partner shall be governed by Article 648 a BGB.

IV. Invoicing / Measurement / Acceptance / Discounts and Rebates for Service Changes

(1) The measurement of the contracting partner's performance shall be prepared in a verifiable manner for DI.

Partial services that are no longer visible or accessible by the time of acceptance shall be inspected together with DI after their completion, which must be notified to DI in writing.

These inspections are not partial inspections or acceptances.

Acceptance of the contracting partner's performance with DI's representative shall only take place after proper completion of the overall performance.

Partial acceptances shall be carried out insofar as DI requests them from the contracting partner.

Defect rectification work and subsequent performance by the contracting partner shall also be accepted by DI.

(2) On acceptance or partial acceptance, DI shall be handed over the as-built and inspection documents relating to the contractual object, including all technical installations to be created or supplied by the contracting partner.

These include in particular

- all execution and assembly plans;
- all inspection certificates, acceptance certificates, etc. issued by governmental or other bodies, including acceptance certificates issued by the Technical Inspection Authorities (TÜV) or equivalent approved institutions for installations requiring such a certificate;

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- all evidence of properties and approvals of building materials and other materials and fixtures;

- the minutes of official final inspections;

- the operating, maintenance, care instructions and manuals for all technical equipment which is the subject of the contractual performance of the contracting partner;

- the protocols to be drawn up by the contracting partner on required or agreed own operating instructions for DI employees.

(3) Invoices of the contracting partner shall be sent in triplicate to the invoice address stated in the order, separately stating the place of performance, time of performance and the value added tax applicable at the time of performance. Payments on account/advance payments made shall be shown individually in the invoice. The tax number must be indicated.

Hourly paid work by the contracting partner shall only be remunerated by DI if the contracting partner's timesheets for this hourly paid work show the object of performance, the time of performance, the employees deployed with the respective time of performance and the object of performance.

The deadline for submission of the final invoice together with a verifiable final invoice measurement by the contractor to DI is 3 weeks after completion of the contracting partner's overall performance.

(4) Agreed discounts shall apply to each individual instalment payment and also to the final payment, even if the discount period was not observed for previous instalment payments. In the event of performance change orders from DI, the discount and rebate agreements in the contract for the unchanged original performance shall apply accordingly to their settlement.

(5) If the contracting partner does not have a valid exemption certificate at the time of invoice settlement, a tax deduction of 15 % of the invoice amount (including VAT) will be made on the basis of the law to curb illegal activities in the construction industry and paid to the tax office responsible for the contracting partner.

(6) The contracting partner is not entitled - notwithstanding the provision pursuant to Article 354 a HGB (German Commercial Code) - to assign its claim against DI to third parties or to have it collected by third parties without DI's written consent.

V. Warranty

(1) The statutory provisions shall apply to DI's warranty claims, subject to the following proviso:

- If the contractual use of the contracting partner's delivery/service is impaired or prohibited due to the infringement of third party property rights, the contracting partner is obliged to modify its delivery/service in such a way that the infringement of property rights is eliminated and the contractual target quality is achieved. At its option, the contracting partner may also acquire the impaired property right from the third party at its own expense for this purpose so that DI can use the contractual delivery/service without restriction and without additional costs in accordance with the contract.

- The contracting partner shall remain liable for its delivery/service even if the plans or other execution documents submitted or produced by it are defective but have been approved by DI. The contracting partner cannot derive contributory negligence on the part of DI from such approval.

- Defective deliveries/services shall be taken back by the contracting partner at its own expense if this is technically possible for it. If the contracting partner fails to comply with this obligation within a reasonable period of time set by DI, DI may remove the contractual performance at the contracting partner's expense while safeguarding the contracting partner's economic interests and realise the contractual performance up to the total amount of DI's counterclaims, taking into account the contracting partner's own claims, insofar as the realisation is the consequence of these defective deliveries and services of the contracting partner.

- The limitation period for DI's warranty claims is suspended if the contracting partner has received a notice of defects from DI and checks the existence of the notified defect or has it checked.

This suspension shall remain in effect until the contracting partner either notifies DI in writing of the termination of the inspection or refuses an inspection of the defect complained of in writing.

(2) Article 377 of the German Commercial Code (HGB) shall apply to the contractual relationship between the parties subject to the following proviso if the standard applies to the award of work by DI:

DI's duty to inspect is limited to defects which are openly revealed during DI's incoming goods inspection under external appraisal including the delivery documents as well as during DI's quality control by sampling (e. g. transport damage, wrong and short deliveries). A notice of defect pursuant to Article 377 of the German Commercial Code (HGB) shall be deemed to have been given in due time if DI notifies the contracting partner thereof in the case of obvious deviations in quality and quantity within 2 weeks after the delivery/service has been handed over to the place of receipt or in the case of hidden deviations in quality and quantity within 2 weeks after they have been discovered, but no later than the commencement of the statutory limitation period.

If acceptance has been agreed or if the subject matter of the contract with the contracting partner is the performance of work, DI shall not be obliged to carry out an inspection.

(3) The warranty period for the contractual performance of the contracting partner is 4 years, calculated from final acceptance. For supplementary performance, a 2-year warranty period shall commence from acceptance of the supplementary performance by DI. This 2-year warranty period for supplementary performance shall not end before the expiry of the agreed 4-year warranty period for the contractual performance.

(4) Upon DI's request, the contracting partner shall be obliged to assign to DI its own warranty rights against its subcontractors and against its other own contracting partners involved in the execution of its contractual performance with respect to its defective contractual performance.

(5) The warranty provisions pursuant to No. A V of these General Terms and Conditions of Purchase shall also apply to warranty-related replacement deliveries or subsequent performance or repairs.

VI. Confidentiality / Place of Performance / Place of Jurisdiction / Applicable Law

(1) The contracting partner must sign and return to DI DI's own data protection declaration in the form of the documents "Commitment to Confidentiality and Data Secrecy" and "Declaration of Commitment to Confidentiality" and the declaration of compliance with DI's security provisions.

The wording of the aforementioned declarations can be found by the contracting partner on DI's website.

The contracting partner is obliged to include the content of the data protection declaration handed over to him as well as the declaration on compliance with the security provisions in contractual relationships with his contracting partners. The same shall apply to the obligation pursuant to No. A I last paragraph of these General Terms and Conditions.

If the contracting partner breaches the aforementioned obligations pursuant to VI (1), DI shall have a special right of termination which may be exercised against the contracting partner after a prior warning and a reasonable futile deadline for the submission of the relevant declarations on the part of DI.

(2) The place of performance for the contracting partner's services shall be the place where the contracting partner has to render its contractual service ready for acceptance.

(3) The place of jurisdiction for all disputes arising in connection with this contract and its execution shall be Aachen if the contracting partner is a registered trader.

B) Additional General Terms and Conditions of Purchase for the Purchase of Goods

For the purchase of goods, the preamble and the terms and conditions pursuant to Nos II, III (1), (2), (4), (5), (7) and (8), Nos IV (2), (3), (4) and (6) as well as Nos V (1), (2) and (4) and No VI shall apply from the General Terms and Conditions of Purchase pursuant to A).

In addition, the following additional General Terms and Conditions of Purchase of DI shall apply to the purchase of goods:

I) Purchase Price

The price shown in DI's order is a fixed price. The principles on the cessation of the basis of the contract shall remain unaffected.

The reimbursement of turnover tax requires that the contracting partner is entitled and obliged to collect the tax separately in accordance with the respective statutory provisions and has shown it separately in its invoice.

II) Transfer of Delivery and Risk

(1) Delivery shall be made "free domicile" to the place specified in the place specified in the order from DI. If the place of destination is not specified and nothing else has been agreed, delivery shall be made to DI's place of business in Würselen.

The respective place of destination is also the place of performance (debt to be discharged at creditor's domicile).

(2) The risk of accidental loss and accidental deterioration of the item shall only pass to DI upon handover at the place of performance when goods are purchased by DI.

III) Right of Set-Off and Retention

DI's contracting partner shall only have a right of set-off or retention in respect of counterclaims that have become res judicata or are undisputed.