



Badger Meter Europa

# Conditions of purchase

## 1 General

- 1.1 Only written orders are binding for us. Their acknowledgement as well as all changes and additions to the order require the written form. The sale contract made with the supplier may not be transferred to third persons without our written consent.
- 1.2 All orders are done exclusively to the following conditions. As far as these do not regulate one question, the legal regulations are effective, amended by the general recognized trade practices. Neither silence to a reference of the supplier to his conditions nor the acceptance of the work with the knowledge of such a reference can be interpreted as acceptance of the terms of business of the supplier.

## 2 Delivery

- 2.1 Property and risks are transferred to us as per the conditions of supply stated on the order; in case of such a statement is missing, property and risk transfer is done as soon as the goods are loaded on the transportation vehicle. The supplier commits oneself to load the goods properly onto the transportation vehicle.
- 2.2 The agreed delivery times and other schedules are to be kept exactly. If the supplier sees that he cannot keep a schedule, he then has to inform us without delay. By scheduled deliveries, which delay is not led to force majeure or which the supplier has not informed us in due time, we are authorised (with or without setting of a delay) to require for either delayed shipment and damage replacement for late delivery or refuse the delayed shipment or partial shipment and ask for damages because of non-fulfilment of the contract or withdraw from the contract. If the reason for the delay is force majeure and the supplier did inform us on due time, we can either completely or partially withdraw from the contract, provided that the delay of the delivery is or will still be reasonable to us.
- 2.3 In case of force majeure for us, the supplier or endcustomer, especially in case of factory breakdown, the legal period of time is extended to the duration time of this hindrance, provided that we inform the supplier without delay.

## 3 Prices and payments

- 3.1 If nothing else is stated, the given prices are meant free reception point including packaging and transportation insurance by the supplier. Should we agree to pay for the packing costs, the packings invoiced to us can be sent back free-hauled to the supplier in good condition. The supplier then refunds the complete amount of packing costs to Badger Meter.
- 3.2 A separate invoice will be issued for each single order and must reflect our ordering n° and the position. The payment is made within two weeks after receipt of the invoice with 2% cash discount or net after 30 days. All other terms of payment have to be agreed in a written form.

## 4 Guarantee and liability

- 4.1. The supplier is assuring that the goods are new, unused and without defect that would reduce the normal or expected purpose suitability.
- 4.2. The supplier is compelled to remove existing defects by either improving or exchanging the goods. If the supplier has not started improving or exchanging the goods within 7 days after receipt of our complaint or should he not have removed the faults within an appropriate period of time, paragraph 2.2 then comes into force. In addition we are entitled to the legal guarantee rights. If improvement or exchange fails in due time or in urgent delivery, Badger Meter is authorised to proceed to improvement or exchange either on their own or through a third party at the supplier's expenses.
- 4.3 The guarantee period is 24 months after taking into operation of the delivered goods, 30 months at the very latest after receipt of the delivery. All complaints submitted within this period of time will be considered as "in time". We are forced to inspect the goods after receipt. A new guarantee period starts after each improvement or exchange.
- 4.4 Besides of that the legal liability claims remain untouched. In case of breach of contract from the supplier's side, we are authorized to ask for replacement or terminate the contract with or without setting a delay and ask for damages if the contract has not been fulfilled – except if the supplier is not responsible for the breach of contract.

BME\_EK-bedingungen\_0702\_e.doc 07/02

Badger Meter Europa GmbH - Nürtinger Strasse 76 - 72639 Neuffen (Germany)

Tel. +49-7025-9208-0

Fax +49-7025-9208-15

www.badgermeter.de

E-mail:badger@badgermeter.de

## **5 Product liability**

- 5.1 Should we be claimed for breach of the official safety regulations or for domestic or foreign product liability regulations or laws because of a defectiveness of our product that is led back to the delivered goods, we are then entitled to ask the supplier for replacement of the damages, caused by the delivered product. These damages also include the costs of a call-back campaign made as precaution.
- 5.2 The supplier will label the delivered items to ensure permanent product recognition, unless we expressly agree on a non-marking. The supplier has to carry out a quality control to the type and extent, according to state-of-the-art technology and if it is necessary, establish proof of it upon request. The supplier will sign a quality assurance agreement with Badger Meter. Besides of that, the supplier ensures himself against all risks raised from the product liability including the call-back risks in appropriate amount and present the insurance policy to Badger Meter on demand.

## **6 Instructions marking obligation**

It is expressly agreed that the ordered items require compliance to the relevant legal regulations and rules, norms, guidelines and conditions for approval valid in Germany. Marking regulations have to be respected.

## **7 Drawings and business secrets**

The supplier is obliged to treat our orders and all commercial and technical details related to the order with secrecy discretion and to oblige to secrecy all persons involved in the order process. All manufacturing means like models, patterns, work pieces, templates, drawings or other documentation given to the supplier or made by the supplier according to our instructions for manufacturing purposes may not be given to a third party or used by them without our written consent.

## **8 Inspection**

We are authorized to check from time to time during the running time of the contract material, drawings, specifications and similar details or let it check by officials. The inspector is entitled to reject or to mark materials, drawings (specifications or similar details). Such an inspection or marking does not mean an acceptance of the inspected items and does not release the supplier from any liability. The inspectors do not have the proxy to make corresponding declarations.

## **9 Subcontract and transfer**

With the exception of goods and services, that are purchased or obtained during the usual operation of the supplier's company from third parties, no works of this contract may be subcontracted without our written consent. In all cases, a copy of the subcontract has to be sent to us simultaneously with its signing. Rights or obligations of the supplier against us can not be transferred to a third party without our written consent.

## **10 Changes**

Without our previous written agreement, the supplier is not authorized to make any changes in regard of the type of material, goods or services, subject of the contract, prices or confirmed delivery date.

## **11 Withdrawal from contract**

Regardless of the legal or foreseen reasons in these regulations, we can withdraw from the contract at any time or stop the further fulfilment and pay an appropriate compensation to the supplier.

## **12 Final clauses**

- 12.1 The contract is subject to German law.
- 12.2 Provided that nothing else has been agreed, the place of payment obligations and payment claims is Beuren.
- 12.3 Exclusive court of jurisdiction is Stuttgart.
- 12.4 If one of the above conditions becomes entirely or partly ineffective or invalid, or should the appeal on that be inadmissible, the validity of the remaining clauses remains untouched. Should this be possible in an individual case, the relevant clause shall be valid in the extent like it can be agreed with legal effectiveness.