

GENERAL TERMS AND CONDITIONS

General Terms and Conditions for Deliveries and Services. AmannGirrbach GmbH and its traders (Customers)

§ 1 Scope

- (1) For the business relations with our customers, particularly for the delivery of products and for orders related to the products, services, information and consultancy the subsequent "General Terms and Conditions" shall apply.
- (2) If our General Terms and Conditions are introduced in a business relation with a customer, they shall also apply for all further businesses between this customer and us unless explicitly otherwise agreed in writing. The general terms and conditions of the customer shall only apply if and to the extent to which we explicitly accept them in writing. Silence on our behalf upon such deviating conditions shall especially not be considered as acceptance or consent, also with respect to future contracts.
- (3) Our General Terms and Conditions shall apply instead of possible general terms and conditions of the customer - including conditions of purchase - also in case that an acceptance of an order is regarded as unconditional approval of the customer's general terms and conditions. By accepting our order confirmation, the customer explicitly accepts that he renounces any demurrer derived from the general terms and conditions.
- (4) These General Terms and Conditions apply exclusively for enterprises in terms of Art. 14 German Civil Code BGB.

§ 2 Information, Consultancy, Properties of the Products

- (1) Information and consultancy as well as any other services rendered by us take place exclusively due to our experience had so far. Our data regarding our products and appliances as well as our devices and methods are based on our development work and the experience with application technology.
The values cited thereby have to be regarded as average values. All data regarding our products and services, particularly the pictures, drawings, specifications of contents and performances as well as any other data shall be deemed as approximate average values.
We provide these results, for which we do not assume liability exceeding the liability in accordance with the respective individual agreement, spoken and written to the best of our knowledge.
- (2) Our product specifications and declarations do not constitute a guarantee of quality or durability in the sense of Art. 434 BGB, unless we explicitly confirmed this to the purchaser in writing in advance, or if a product property is specified in a written purchase agreement concluded with the customer. However, this does not release the customer from examining our products and methods with respect to their applicability for the intended use before the purchase.
- (3) Any reference to standards, similar technical regulations as well as technical data, descriptions and illustrations of the article of sale or object of service in offers and brochures and our advertisements shall only constitute the specification of a property, if we have explicitly declared a quality to be a "property"; otherwise this shall constitute an unbinding general technical specification.
- (4) A guarantee shall only be deemed as assumed, if we explained in writing that a property or service is „guaranteed“.
- (5) Any liability for the usability of our products for the purpose intended by the customer shall only be assumed, if we agreed to do so in writing.
- (6) We reserve all proprietary and copyrights for illustrations,

drawings, weight specifications, dimension data, descriptions of performances or other properties, estimates of costs and other documents pertaining to our products and services. The customer undertakes to refrain from making the documents referred to in the preceding sentence accessible for third parties, unless we provide our explicit written consent.

§ 3 Conclusion of Contract, Scope of Service, Risk of Performance

- (1) Our notifications titled "Offer" are subject to change without notice. They are invitations to order or commission. A contract shall only come into existence - also in the day-to-day business - if we have confirmed the order or commission of the customer in writing or as written text. Our confirmation of order is decisive for the content of the contract. In case of immediate supply or rendering of services our confirmation can be substituted by our invoice or a delivery note.
- (2) The assumption of a procurement risk is not only subject to our obligation to deliver items specified only in terms of their type. We are only obliged to deliver from our stock unless explicitly agreed otherwise in writing.
- (3) In case of call orders or customer-caused delayed acceptance we are entitled to immediately procure the material necessary for the entire order, and to immediately produce the entire product and offer it in case of customer-caused delay of acceptance, or to fulfil this order, respectively. Modifications that might be required by the customer can consequently no longer be considered once the order is placed unless explicitly agreed otherwise in writing.
- (4) The customer is obliged to notify us in writing and in due time before the conclusion of the contract of any special requirements desired by the customer in terms of our services or products.
- (5) If the acceptance of a performance, the acceptance of a product or the delivery are delayed for a reason for which the customer is liable, if the customer will not place a shipping order until the end of the delivery term, or if the customer culpably fails to meet a contractually agreed obligation to accept delivery within the agreed term or - if no term was agreed upon - within 6 months, we shall be entitled to demand immediate payment after granting a 10 day additional period that had expired without success, or to rescind from the contract, or to refuse an execution of the contract and to claim damages instead of the overall performance; this shall not affect any other or farer-reaching rights. The grant of the additional period must be made in writing. It is not necessary here to again refer to the rights of this provision. In case of claims for damages, these damages to be paid shall be 20% of the net delivery price. The confirmation of any other damage height or of a non-occurrence or the non-occurrence of such damage shall be reserved to the customer.
- (6) If the delivery or the collection of the products is delayed on the customer's requests or for reasons for which the customer is liable, we shall have the right to store the products at the customer's own risk and to invoice the incurred costs with 2.5% of the net invoiced amount per month or part thereof as of the point in time, at which the products should have to be shipped, or the customer should have collected the products, respectively. A proof for a deviating amount of expenses or the non-occurrence of expenses for the storage shall remain reserved by the customer. Moreover, we are obliged to dispose of the contractual products otherwise once the term has expired, and to deliver the customer anew within an appropriate period of time.



GENERAL TERMS AND CONDITIONS

- (7) In case of customer-caused delays of the order or the call we are entitled to postpone the delivery or performance by the period corresponding to the delay caused by the customer.

§ 4 Performance, Time of Performance, Default

- (1) We make our best efforts in order to meet binding delivery or performance dates and deadlines for delivery or performance have to be agreed with us explicitly and in writing in order to be effective. In case of unbinding or approximate (circa, approximate, etc.) delivery or performance dates and delivery or performance deadlines we use our best efforts to adhere to such dates and deadlines.
- (2) Delivery or performance periods commence once the customer receives our confirmation of order, however, not before all details of the completion of the order are defined, and all other preconditions to be fulfilled by the customer are given, particularly not before the agreed advance payments are effected. The same applies for delivery or performance dates. If the customer required modifications after the placement of the order, a new appropriate term of delivery shall commence as of our confirmation of modification.
- (3) Product deliveries before the expiration of the period of delivery are admissible in the individual case upon consultation. The day of delivery is the delivery date confirmed in writing. If several individual contracts for identical products run at the same time, we are entitled to determine at our own discretion in what sequence these individual contracts are executed. For the lack of any other written agreement, the interest in our performance is only excluded if we fail to deliver essential parts or deliver them with a time delay.
- (4) In the case of product deliveries that need to be performed at the place of the debtor, the day on which the shipment is ready for dispatch or otherwise the day after the shipment of the product shall be deemed as delivery day.
- (5) Unless otherwise agreed the delivery or performance takes place within the agreed term of delivery or performance at our discretion for both long-term contracts with call option as well as for individual contracts. We can tender the product or the goods as per the 1st working day after the conclusion of the contract and at any time within the term of delivery or performance during the customary business hours.
- (6) The delivery or performance on a special day or in a special calendar week requested by the customer can be noted in our order confirmation to the customer. However, this does not include a binding obligation on our part to adhere to these desired times of delivery or performance. We shall of course make all efforts to keep the delivery or performance times. In case of a time delay we shall inform the customer accordingly in due course.
- (7) If we are behind schedule, the customer has to set an appropriate additional term within which the performance can be rendered. If this term expires without results, claims for damages because of neglect of duty for whatever reason shall only exist within the framework of the provisions in § 10 (Exclusion and Limitation of Liability).
- (8) We are not in default as long as the customer is behind schedule with the fulfilment of his obligation, also on the basis of other contracts.
- (9) In case of a delay caused by us due to intentional or grossly negligent behaviour, the customer shall be entitled to claim compensation for damage incurred provably by such delay under the restrictions provided

in § 10 (Exclusion and Limitation of Liability). In case of gross or simple and slight negligence, the compensation shall be restricted to the typical and foreseeable damage.

- (10) If the customer does not accept the products or services in spite of the legal obligation, we shall be entitled to effect a loss assessment. With respect to product deliveries this is implemented by means of self-help sales to third parties or price determinations among other things. If a threatened self-help sale does not take place or is not executed in the proper manner and time, the claim for damages still persists. The loss assessment is then taking place by means of a price determination. The effective day for the price determination in any event is the first working day after the expiration of the additional term.
- (11) We may at any time deliver a foreign product being of the same quality as our products, unless we agreed explicitly and in writing to a delivery of our own products. We also may at any time render the performances owed by us with the aid of sub-contractors.

§ 5 Reservation of Services on own Account; Force Majeure and other Obstructions

- (1) If, in spite of due procurement, we do not receive shipments or services from our sub-suppliers or sub-contractors, or if we do not receive the goods correctly or in due course, for reasons for which we are not liable, or if cases of Force Majeure occur, we shall notify our customer in writing in due course. In such an event we have the right to postpone the delivery or performance by the time during which the obstruction persists, or to completely or partially rescind from the contract with respect to the still unexecuted part of the contract, insofar as we have met our obligation to render information described above, and have not assumed the procurement risk or covered the production list. Force majeure includes strikes, lock-outs, official interventions, scarcities in energy and raw materials, transport shortages or business obstacles through no fault of our own, such as fire loss, water damage and mechanical breakdowns, and all other impediments which we have not incurred culpably or for which we are not responsible from an objective point of view.
- (2) If a date of delivery or performance, or deadline for delivery or performance respectively, is bindingly agreed upon, and if such date for delivery or performance, or deadline for delivery or performance is exceeded by more than four weeks due to the occurrences described in Art. § 5 (1) above), or if - in case of a non-binding performance date - the adherence to the contract is objectively unacceptable for the customer, the customer shall be entitled to rescind from the contract because of this unexecuted part thereof. In this case, there are no further rights of the customer, particularly no claims for damages.

§ 6 Dispatch, Packaging and Passing of the Risk

- (1) Unless otherwise agreed in writing, products are despatched by us ex works, uninsured and at buyer's risk and expenses. We reserve the right to choose the transportation path and the transportation means. However, we will make all efforts to take into account the customer's wishes regarding the mode of dispatch and the dispatch route; any additional expenses that might be caused thereby - also in case of an agreed carriage paid delivery - are to be borne by the customer. If the dispatch is delayed upon the customer's request or due to the customer's fault, we shall stock the products at the expense and risk of the customer. In such an event a notice about the readiness for dispatch will be



GENERAL TERMS AND CONDITIONS

considered as delivery. Partial deliveries and partial performances are admissible and can be invoiced separately.

- (2) The risk of accidental loss or accidental worsening passes to the customer with the handing over of the products and goods to be delivered to the customer in case of an obligation to perform at the place of business of the customer, or with the delivery of the goods to the forwarder, the freight carrier or the entity entrusted with the realization of the dispatch, however, at the latest when the goods leave our works, the warehouse or the branch office.
 - (3) If the batch is delayed because we make use of our right of retention due to a complete or partial default of the customer, or because of any other reason for which the customer is liable, the risk shall pass to the customer at the latest as of the date of the notice regarding the readiness for dispatch.
 - (4) The mode of dispatch and the packaging are subject to our discretion for the lack of a specific agreement.
 - (5) Packaging that is not separately billed will not be taken back. For packaging that is separately billed a credit note will be issued under the precondition that the packaging was received by us carriage paid within a period of 1 month upon the passing of the risk in a clean, usable condition, for ½ of the calculated value. Containers are not taken back in any case.
- § 7 Duty of Inspection, Notification and Rejection, Neglect of Duty, Warranty of Quality**
- (1) Noticeable neglects of duty because of malfeasance (e.g. defects) have to be immediately given notice of by the customer, however no later than 12 days upon the rendering of performance - also with respect to a part of the performance usable by the customer; latent defects must be given notice of immediately, no later than within the warranty period specified in § 7 (9). A notice of defect not provided in due time shall exclude any claim of the customer because of defects.
 - (2) In case of dispatch of products, any defects that are noticeable on delivery also have to be given notice of to the forwarding company and a recording of the defects must be arranged for by the latter. Notices of defects have to contain a specification of the defect with as many details as possible. Insofar as specifications of the number of items or weight are noticed to be incorrect already on delivery in accordance with the above described obligation to inspect, the customer shall be obliged to give notice of such defects to the forwarding company on the receipt of the products and goods and to obtain a confirmation of such notice of defects. A notice of defect that has not been provided in due time shall exclude any claim of the customer based on neglect of duty because of defects insofar as well.
 - (3) Any other neglects of duty have to be contested in writing before the assertion of further rights by the customer under fixing an appropriate term within which to remedy the defects.
 - (4) With the beginning of processing, adaptation, connection or mixing with other items the delivered products shall be deemed as approved by the customer in accordance with the contract. The same shall apply in case of a re-dispatch from the original destination. It is incumbent on the customer to make clear before commencing any of the above mentioned activities by means of examinations that are suitable in terms of scope and methodology, whether the delivered products are suitable for the purposes of manufacturing, processing or other purposes of use intended by the customer.
 - (5) In case of notices of defect the payments of the customers may only be retained to an extent suitably proportionate to the material defects occurred. If the notice of defect was wrong, we shall have the right to request the customer to provide compensation for the expenses thus incurred to us.
 - (6) If a defect exists, it will be removed by rectification or by replacement delivery or re-production free of charge - whichever option we believe best - except for a case of delivery recourse pursuant to Arts. 478, 479 BGB, whereby we have to be given two attempts for supplementary performance. Defects for which the customer is liable and unjustified complaints will be removed by order and at the expense of the customer - in as far as the customer is a businessman.
 - (7) We are only obliged to provide remedy and replacement delivery or re-production in the country, in which we have sold the product to the customer, or from which we have shipped the goods in accordance with the contract for the intended use, or rendered the performance, respectively.
 - (8) Any claims of the customer with respect to the expenses necessary for supplementary performance, in particular travel and transport expenses, work and material costs are to be excluded if the expenses increase because the article of sale was subsequently transported to a place other than the agreed upon place of delivery. This shall not apply in cases of delivery recourse pursuant to Arts. 478, 479 BGB, as well as in case of malice, or intentional detriment or assumption of a guarantee.
 - (9) For provable defects we warrant for a period of one year as of the date of the legally provided beginning of the limitation period unless explicitly otherwise agreed, or in a case described in Art. 478 BGB (right of recourse), or if we have a claim for damages because of injury of health, life or body and/or a malicious or intentional behaviour or a claim pursuant to the Product Liability Act, or if the goods were not used in accordance with their normal purpose of use for a structure and caused that said structure is defective. For any rights of the customer because of defects of the work performance, the guarantee period begins with the acceptance of the work/the performance.
 - (10) Any further claims of the customer because of or in connection with defects or consequential damage for whatever reason shall only exist in accordance with the provisions in § 10 (Exclusion and Limitation of Liability), unless it is about claims for damages from a guarantee which should assure the customer against the risk of possible consequential damage. Only in this case, however, are we liable for the typical and foreseeable damage.
 - (11) Our guarantee and the liability following therefrom are excluded, if the defects and the damage connected therewith are not provably based on our defective products or a defective performance. The guarantee and liability is particularly excluded for the consequences of a defective or natural application of the products as well as the consequences of physical, chemical or electrolytic influences on the products that do not correspond to the destined average standard influences. Moreover for improper or incorrect use; inaccurate assembly or putting into operation by the customer or by any third parties appointed by the customer; natural wear; defective or neglectful handling; incorrect maintenance.
 - (12) Our liability provided in § 10 (Exclusion and Limitation of Liability) remains unaffected. The above provisions do not involve a reversal of the burden of proof.
 - (13) If the customer or a third party repairs the defect incorrectly, there is no liability on our part for the con-



GENERAL TERMS AND CONDITIONS

sequences arising therefrom. The same applies for changes of the product implemented without our prior consent, or a change of the use not having been admitted by the producer which is in contrast to the use specified.

- (14) Possible rights of recourse of the customer in cases of a resale of the goods against us shall only exist if the customer has not concluded an agreement with his customer that goes beyond the claim based on defects provided by law.
- (15) The acceptance of neglects of duty, particularly in the form of defects, always requires the written form in order to be effective.

§8 Prices, Terms of Payment, Default, Objection of Uncertainty, Return, Right of Retention

- (1) All prices are principally in EURO plus packaging, freight ex works or ex warehouse, plus the value added tax to be borne by the customer in the respective legally valid amount.
- (2) Performances that are not part of the offer will be rendered on the basis of the respectively valid price list for the lack of a deviating agreement.
- (3) We are entitled to increase the prices adequately (Art. 315 BGB) in case of an increase of material procurement and production costs, taxes, wage costs and non-wage labour costs as well as energy costs and costs resulting from environmental regulations, if - between the conclusion of the contract and the delivery - more than two months have passed. An increase in the aforementioned sense is excluded if the cost increase in the mentioned factors is balanced out by a cost reduction in other such factors in consideration of the overall cost charge for the delivery. If the overall cost charge of the prime costs declines in the aforementioned sense with respect to the contractual delivery/performance until the delivery/performance, the cost saving is passed to the customer based on the contractual delivery/performance.
- (4) If we pay the freight costs by way of exception according to the contract, the customer has to bear the additional costs incurring due to tariff increases of the freight rates after conclusion of the contract.
- (5) Our invoices are payable upon maturity within 10 days upon delivery/performance with a discount (2%), or within 30 days upon delivery/performance net. We are also entitled to require payment concurrently against product delivery. If a discount was agreed, said discount is calculated on the basis of the net amount and shall only be admissible if all other obligations from the business relation of said customer that are older than 30 days have already been fulfilled. Credit notes of the customer shall only be valid as invoice based on an explicit corresponding agreement. In these cases the invoiced amounts are payable within 30 days (received on our part) upon delivery of the goods without deductions.
- (6) We are entitled to offset incoming payments against a customer's older debts in spite of possible deviating instructions of the customer; we shall inform the customer about the nature of the offsetting. If costs and interest have already accrued, we are entitled to offset the payment first of all against the costs, then against the interest and finally against the principal performance.
- (7) The customer is in arrears also without a reminder within 31 days upon delivery/performance in case of obligations to deliver/perform on our part, or within 30 days upon our notice of readiness for dispatch for deliveries ex works. If a binding payment date is agreed upon, the customer is in default if he does not adhere to said payment date.
- (8) With the commencement of the default, default interest

in the amount of 8% above the respectively valid base rate becomes due. This rate should be lower if the customer provides proof for a smaller charge; the proof of a higher damage on our behalf is admissible.

- (9) Moreover, in case of arrears on the part of the customer we are entitled to retain deliveries or performances based on all contracts existing with the customer until the complete execution. This right of retention can be averted by the customer by providing an absolute and indefinite guaranty of a German major bank or a municipal credit institution associated with the depositor's guarantee fund in the amount of all due outstanding amounts to be paid to us.
- (10) The payment day shall be the date of the incoming payment or the credit note on our account. The assertion of any damage beyond that remains reserved. Moreover, the delay in the fulfilment of the requirements causes that all other requirements on our part of this business relation fall due immediately.
- (11) If the payment terms are not adhered to, or if circumstances are revealed or recognizable that cause justified doubts in the customer's creditworthiness according to our obligatory commercial discretion, namely also such facts that have already existed when the contract was concluded, however, which we have not been acquainted with or which needed not be revealed, we shall be entitled - without prejudice for further legal entitlements - to cease a continuation of the pending orders or the delivery and to require advance payments or the provision of objectively appropriate securities for the outstanding deliveries, and in case of unfruitful expiration of an appropriate grace period for providing such securities - without prejudice for further legal rights - to rescind from the contract. The customer is obliged to make up for all damage caused by the non-execution of this contract.
- (12) If payments are deferred and are then effected later than agreed, for the deferred period interest in the amount of 8% above the base rate respectively valid at the conclusion of such deferment agreement will be due, without the necessity to provide a notice of default.
- (13) A right of retention or a right to set-off on the part of the customer shall only exist with respect to such counter-claims that are not denied or that are effectively ascertained, unless the counter-claim is based on the infringement of essential contractual obligations on our part. A right of retention can only be exercised by the customer, if his counter-claim is based on the same contractual relation. "Essential contractual obligations" are such obligations that protect the customer's legal position that is essential in terms of the contract, which the contract must provide to the customer given its content and purpose; moreover, those contractual obligations are essential the fulfilment of which in fact enables a due execution of the contract and the adherence to which the customer has regularly relied on and may rely on.
- (14) Our price lists and further general price indications are unbinding unless they have been explicitly referred to as binding in writing.
- (15) A motion for opening insolvency proceedings for the customer, or a cessation of payment of the customer that is not based on rights of retention or other rights entitles us to rescind from the contract at any time, or to make the delivery of the articles of sale dependent on the prior fulfilment of the obligation to pay. If the articles of sale have already been delivered, the purchase price shall be immediately due in the cases specified above. We are also entitled to require the articles of sale back in the aforementioned cases and to retain them until the purchase price has been fully paid.



GENERAL TERMS AND CONDITIONS

- (16) As of the cessation of payment on the part of the customer or if a motion for opening insolvency proceedings, the customer is no longer entitled to sell, process, connect or mix the goods subject to retention of title (see § 9 (1)). In this case he rather has to immediately store and label the reserved goods separately and hold in trust the amounts from assigned claims owed to us due to delivery of goods, and that are received by the customer.

§ 9 Retention of Title

- (1) We retain the title for any and all devices and goods delivered by us (hereinafter: "reserved goods"), until all of our receivables from the business relation with the customer including the claims arising in the future on the basis of contracts concluded later are settled. This shall also apply for a balance in our favour, if individual or all of our receivables are taken up into one open account (current account) and the balance is stroke.
- (2) The customer is obliged to adequately insure the reserved goods, particularly against fire and theft. Any claims against the insuring company from a case of ,damage pertaining to the reserved goods are assigned to us already now in the amount of the value of the reserved goods.
- (3) The customer is obliged to resell the delivered goods in the usual course of business. Other disposals, particularly pledging or the grant of equitable lien are not permitted. If the reserved goods that are sold to third parties are not paid immediately, the customer is obliged to effect conditional resale only. The entitlement to resell the reserved goods does no longer apply if the customer ceases his payments or gets into arrears. The same shall apply if the customer is bound by the group and/ or if one of the facts specified in the last sentence occurs in the customer's parent or controlling company.
- (4) The customer does herewith already assign to us all claims including securities and ancillary rights, which arise for him from or in connection with the resale of the reserved goods against the final customer or against third parties. He may not conclude an agreement with his customers that could in any way exclude or impair our rights, or that might undo the advance assignment of claims. In case of a resale of the reserved goods together with other items, the receivables with respect to third party customers shall be deemed as assigned in the amount of the delivery price agreed upon by us and the customer, if it is not apparent from the invoice, what amounts pertain to which of the individual goods.
- (5) The customer remains entitled to collect the claims assigned to us until our revocation that is admissible at any time. Upon our request, the customer is obliged to provide us with the information and documents necessary to collect the assigned receivables, and, if we do not do that on our own, to immediately inform his customers about the assignment to us.
- (6) If the customer adds receivables from resale of reserved goods to a current account existing for his customer, he does herewith already assign a final balance resulting in his favour up to the amount of the sum corresponding to the overall amount of the resale of our reserved goods added to the current account.
- (7) If the customer assigned to third parties receivables from the resale of the goods delivered or to be delivered by us, particularly due to real or unreal Factoring, of if the customer has concluded other agreements which could impair our current or future equitable lien pursuant to § 9 herein, he shall immediately notify us accordingly. In case of unreal Factoring we are entitled to rescind from the contract and require the return of already

delivered goods; the same applies in case of real factoring if the customer cannot dispose freely about the purchase price of the receivables pursuant to the contract with the Factor.

- (8) In case of behaviour contrary to the contract, particularly in case of default, we are entitled to take back all reserved goods without having to rescind from the contract beforehand; in this event, the customer is obliged to immediately return the goods, if he is responsible for a considerable neglect of duty. For the determination of the stock of goods delivered by us, we are entitled to access the customer's premises at any time during the normal business hours. The acceptance of returned reserved goods shall only be deemed as rescission from the contract, if we explicitly declare this in writing, or if legal requirements provide this. The customer shall immediately inform us about any access of third parties to reserved goods or receivables assigned to us.
- (9) If the value of the securities existing in accordance with the provisions above exceeds the secured requirements in total by more than 10%, we are obliged to insofar release securities at our own discretion upon the customer's request.
- (10) Adaptation and processing of the reserved goods takes place for us as producers in terms of Art. 950 BGB, however, without being obliged to do so. If the reserved goods are processed or inseparably connected with other items that are not ours, we acquire a co-ownership in the new item in a ratio corresponding to the ratio between the calculated value of our goods and the invoice values of the other processed or connected items. If our goods are joined to form one uniform item that has to be regarded as main item, the customer does already now assign to us a co-ownership in this item in the corresponding relation. The customer shall keep such ownership or co-ownership in custody for us free of charge. The co-ownership rights arising therefrom are deemed as reserved goods. Upon our request the customer is obliged at any time to render the information necessary in order to pursue our ownership or co-ownership rights.

§ 10 Exclusion and Limitation of Liability

- (1) Except for the following provisions, we are not liable for the customer's claims for damages for whatever legal ground, particularly in case of infringement of duties from this obligation and from tort. This limitation of liability does not apply, if a liability is provided by law, particularly in the following cases:
 - for one's own intentional or grossly negligent neglects of duty and intentional or grossly negligent neglects of duty of legal representatives or vicarious agents;
 - for violations of essential contractual obligations and in case of impossibility of performance in one's control and considerable neglect of duty;
 - if - in case of violation of other duties in the sense of Art. 241 (2) BGB - the customer can no longer be expected to accept our performance;
 - in case of injury of life, body and health also by legal representatives or vicarious agents;
 - insofar as we have assumed a guarantee regarding the quality of our products or the existence of a successful performance or the procurement risk,
 - in case of liability according to the Product Liability Act;
 - in case of default, if a fixed date was agreed upon

"Essential contractual obligations" are such obligations that protect the customer's legal position that is essen-



GENERAL TERMS AND CONDITIONS

tial in terms of the contract, which the contract must provide to the customer given its content and purpose; moreover, those contractual obligations are essential the fulfilment of which in fact enables a due execution of the contract and the adherence to which the customer regularly relied on and may rely on.

- (2) In cases other than that of § 10 (1) we are liable for all claims for damages or reimbursement of expenses directed against us based on the present contractual relation because of culpable neglect of duty for whatever legal grounds, but not in cases of slight negligence.
- (3) In case of the liability specified above in § 10 (2) and a liability without fault, particularly in case of initial impossibility and defects of title, we are only liable for the typical and foreseeable damage.
- (4) We shall only be liable in cases of assuming a procurement risk, if said procurement risk was assumed by us explicitly by means of a written agreement.
- (5) The liability for indirect damage and consequential damage is excluded, unless we have violated an essential contractual obligation, or if we, our executive staff or vicarious agents have committed an intentional or grossly negligent neglect of duty.
- (6) Our liability is limited to a maximum amount of € 100,000.00 per individual liability case except for cases of malice, intentional action and injury of body, life or health, the assumption of a guarantee or a procurement risk and deviating liability limits provided by law. Any further liability is excluded.
- (7) The exclusions or limitations of liability in accordance with § 10 (1) to (6) above apply to the same extent for all executives and other staff members and further vicarious agents as well as our subcontractors.
- (8) The customer's claims for damages based on this contract may only be asserted within a preclusive period of one year as of the legally provided beginning of limitation. This does not apply if we are responsible for malice, intent or gross negligence.
- (9) A reversal of the burden of proof is not included in the above provisions.

§ 11 Third Parties' Property Rights

- (1) Unless otherwise agreed, we are only obliged to render the delivery or performance in the Federal Republic of Germany free from industrial property rights and copyrights of any third party. If a third party raises justified claims because of an infringement of the property rights on our part in the products delivered to the customer, we shall be liable to the customer within a term of one year as follows:
 - a. We shall at first at our own discretion try to obtain either a right to use for the deliveries in question at our own expenses, or to modify the products in such a manner that the property right is no longer infringed, or we shall exchange said products. If this is not possible with appropriate conditions, the customer has his rights provided by law, which, however, are governed by the instant General Terms and Conditions.
 - b. The customer shall only be entitled to rights, if he immediately informs us in writing about the claims set forth by a third party, if he does not admit such infringement and if we reserve the right to implement any and all defence measures and settlement negotiations. If a customer ceases to use the products for reasons of mitigation of damages or other important grounds, he shall be obliged to point out to the third party that a cessation of the use does not imply an admission of the infringement of property rights. If as a consequence of the use of the products delivered by us is attacked by a third party because of property right infringement, the

customer undertakes to immediately notify us correspondingly and to give us the opportunity to participate in possible legal disputes. The customer has to support us in conducting such a lawsuit in any respect. The customer undertakes to refrain from any actions that might impair our legal position.

- (2) Claims of the customer are excluded if he is responsible for a property right infringement. Claims of the customer are excluded further if the property right infringement is caused by special allegations of the customer, by an application that was not foreseen by us, or if the products were modified by the customer or are applied together with products delivered by us.

§ 12 Product Liability

- (1) The customer will not modify the goods with respect to security-relevant features; he will particularly not change or remove the existing warnings about perils in case of improper use of the goods. If the customer violates this obligation, he shall internally exempt us from product liability claims of a third party, given that the customer is responsible for the error causing the liability case.
- (2) If due to a product error of the goods we are forced to recall a product or give out a warning, the customer will support us and take all appropriate measures expected or ordered by us. The customer is obliged to bear the costs of such a product recall or warning insofar as he is responsible for the product error and the damage occurred according to the principles of Product Liability Law. Any further claims on our part shall remain unaffected.
- (3) The customer shall immediately notify us about any risks in using the goods and possible product errors once he got knowledge of them.

§ 13 Installation

- (1) If the assembly of the article of sale is due to us, we shall only be obliged to provide a ready-for-operation installation in the customer's premises only if the customer participates as follows:
 - a) Proof and provision of a suitable site along with connections (energy, water, air, etc.) for the article of sale;
 - b) No modification of the article of sale by the customer before its installation.
- (2) The customer undertakes to acknowledge the readiness for operation of the article of sale by means of successful functional test in the framework of suitable testing methods worked out by us by countersigning the collection slip. If the customer does not sign the collection slip in spite of successful functional test, the readiness for operation shall still be deemed fulfilled with the date of the completion of the successful functional test, if an additional deadline of at least 14 days set by us within which the customer has the opportunity to declare the collection of goods has expired without effect.
- (3) If the installation owed by us cannot be implemented after delivery within an appropriate period defined by us of at least 30 days for reasons for which the customer is responsible, the readiness for operation shall be deemed given and acknowledged at the point in time when we offered such installation for the first time.
- (4) Unless explicitly agreed otherwise in writing, we are not obliged to connect the articles of sale with other devices of the customer that have not been delivered by us.

GENERAL TERMS AND CONDITIONS

§ 14 Place of Performance; Legal Venue; Applicable Law

- (1) The place of performance for all contractual obligations is the seat of our company.
- (2) The legal venue for all litigation is also the seat of our company unless any other mandatory legal value is provided by law. However, we are also entitled to sue the customer at his place of general jurisdiction.
- (3) All legal relations between the customer and us shall exclusively be governed by the laws of the Federal Republic of Germany under exclusion of the UN Convention on Contracts for the International Sale of Goods (CSIG). These provisions shall also apply if the customer is foreigner or has his seat abroad.

§ 15 Final Provisions

- (1) If standard trade terms according to the International Commercial Terms (INCOTERMS) were agreed, the INCOTERMS 2000 shall apply.
- (2) A prohibition of assignment or a restriction of assignment provided in the general terms and conditions of the customer, particularly if the assignment is made dependent on the prior consent of the customer, is herewith objected to.
- (3) Changes of these terms and conditions will be notified to the customer in writing in case of ongoing business relations. They shall be deemed as approved by the customer, if the customer does not file opposition against them in writing in due course. This legal consequence must be particularly pointed to with the notification of change. The customer must send the opposition to us within six weeks upon receipt of the notification of change.
- (4) All agreements, supplementary agreements, covenants and contract amendments require the written form. This shall also apply for a change of the written form requirement. Oral supplementary agreements or changes /amendments are void.
- (5) A motion for opening insolvency proceedings for the customer, or the cessation of payments that is not due to rights of retention or any other rights, entitle us to rescind from the contract at any time, or to make the delivery of products or the performance dependent on the prior fulfilment of the obligation to pay. If the delivery of the products or the performance has already taken place, the price in the aforementioned cases shall immediately fall due. We are also entitled to require a return of the products in such cases and to retain them until the full payment of the purchase price is effected. As of the cessation of payments of the customer or if a motion for insolvency proceedings of the customer has been filed, the customer is no longer entitled to sell, process, connect or mix reserved goods. In such a case, the customer rather has to immediately store and label the reserved goods separately and hold in trust the amounts from assigned claims owed to us due to delivery of goods, the goods of which are received by the customer.
- (6) The customer is not authorized to assign his contractual rights without our written consent.
- (7) Should any of the present or future provisions of the contract be or become completely or partially ineffective/void or not implementable for reasons other than those provided in Arts. 305-310 BGB, this shall not affect the validity of the remaining provisions under this contract unless the execution of this contract constitutes a burdensome charge for any of the parties. The same applies if - upon conclusion of the contract - a gap is detected that requires elaboration. The parties will replace the invalid/void/not implementable provision or the gap that requires elaboration by an effective provision the legal and economic content of which approaches best the invalid/void/not implementable provision and the overall purpose of the contract.

Note:

In accordance with the provisions of the German Data Protection Act we point out that our company is administered through an IT computer system, and that in this respect we also record the data received due to the business relation with the customer.

Pforzheim, May 2009

