

## I. SCOPE

The following Terms and Conditions shall apply to all of our deliveries and services, including any consultancy services and provision of information as well as all future business transactions with our Customers (hereafter called "Purchaser"). Customer's provisions conflicting with our Terms and Conditions shall not apply unless agreed upon by us expressly in writing.

Our Terms and Conditions shall apply only vis-à-vis legal persons under public law, public special-purpose funds and merchants within the meaning of the German Commercial Code (HGB).

## II. OFFERS, ACCEPTANCE OF ORDERS, RATES

Our offers are not binding with regard to quantities, rates, and delivery deadlines. Any order received will have no binding force unless and until our order confirmation is given. We reserve the right to deviate in finish and design from descriptions and specifications in brochures, catalogues or other written material, and to change models, designs or materials in line with technological advance, as may be reasonably tolerated by Purchaser, and no claims may be derived by Purchaser from such a deviation or change.

Any information on the design, fitness, use, workmanship, cleaning and maintenance of our goods, especially with regard to any specific use, does not dispense Purchaser from conducting own inspections or tests. To the extent technically feasible, we will comply with any expected qualities.

Responsibility for compliance with any legal, official and professional association requirements to be observed when using our goods lies solely with Purchaser.

Our rates are net rates, ex works or ex our distributing warehouse, exclusive of charges such as freight, duties plus VAT as from time to time applicable on delivery. Any rates confirmed shall only apply if delivery is taken of the quantity so confirmed.

## III. DISPATCH, PASSING OF RISK

The risk of loss and the risk of a deterioration pass to Purchaser when the goods are handed over to a forwarding agent or carrier. This shall also apply if delivery is free domicile. In case of free-domicile deliveries, however, we assume liability, restricted to the value of the relevant goods, for any direct loss in transit if caused by transporting staff of our own.

Even if responsibility for a carriage does not lie with us, any loss occurred in transit shall be notified by Purchaser without delay, at the latest, however, within one week after receipt of the goods.

## IV. DELIVERY DATES, PERFORMANCE, RESCISSION

Any delivery dates confirmed by us shall have no binding force unless so expressly confirmed. Compliance with delivery dates requires on-time fulfillment of Purchaser's contractual duties. A delivery date shall begin to run upon receipt of all specifications relating to the execution of an order, of all documents necessary to execute such order, any other information to be provided by Purchaser, and of any conditions that may have been agreed upon between the Parties. If the goods ordered leave our premises or warehouse at the time agreed upon or if Purchaser has been notified to the effect that the goods are ready for dispatch, a delivery date shall also be deemed observed if such goods cannot be dispatched on time without fault on our part.

Even if a time limit in terms of § 286 para. 2 BGB has been agreed upon, delay in delivery does not occur until we receive a written warning notice. When in delay, Purchaser shall allow a period of grace of no less than two weeks.

If we are responsible for the delay and the Purchaser demonstrably suffered a loss therefrom, the Purchaser may claim a compensation as liquidated damages of 0,5 % for every completed week of delay, but in no case more than a total of 5 % of the price of the goods which because of the delay could not be put to the intended use. Purchaser's claims for damages due to delayed deliveries as well as claims for damages in lieu of performance exceeding the limits specified in sentence 1 of this clause shall be excluded in all cases of delayed goods even upon expiry of a deadline set to us to effect the deliveries. This shall not apply in cases of intent and gross negligence.

Purchaser may withdraw from a contract upon expiration of an adequate period of grace that may have been allowed in respect of a case of delay in delivery, provided, however, that Purchaser when allowing such period of grace has indicated that performance might be rejected. All other claims of Purchaser which exceed the claims defined in Art. IV para 3 and 4 are excluded for any delayed deliveries.

On the occurrence of unforeseeable events beyond our control such as mobilization, war, rebellion or similar events e.g. strike or lockout any fixed delivery deadlines or delivery dates shall be extended by the duration of such impediment. Purchaser agrees to reasonably accept part shipments.

## V. RESERVATION OF TITLE

All goods delivered by us shall remain our property until full payment of the purchase prices to be satisfied by Purchaser. This reservation of title shall continue to be effective even if individual receivables of ours are taken up in a current account with its balance being struck and accepted, for the reservation of title then to secure such balance.

The goods supplied by us under reservation of title may be sold by Purchaser only in the course of ordinary business and on condition that the claim for payment of the purchase price passes to us. Purchaser already now assigns to us any claim of Purchaser under any resale of goods supplied by us under reservation of title and in order to secure all claims we may have against Purchaser on such resale. Purchaser shall be entitled to collect on our behalf the receivables so assigned. This authority of Purchaser, however, can be revoked by us if Purchaser delays any payment due to us. In that event we shall be authorized to notify the relevant customers of Purchaser on Purchaser's behalf of the existing assignment. Purchaser shall be obligated to provide us with all data (especially the names of customers) as well as all documents necessary for us to assert our claims against Purchaser's customers.

The foregoing rights of Purchaser shall be the sole dispositions of Purchaser with regard to goods supplied under reservation of title and Purchaser shall in particular not be entitled to pledge or transfer such goods by way of security.

Any acts affecting goods supplied by us under reservation of title shall be notified to us, and the same shall apply with regard to any rights or enforcement actions of third parties. If Purchaser's authority to resell goods ceases to be effective, Purchaser shall on request disclose its stock of goods that are subject to reservation of title, and surrender any goods that are subject to reservation of title if requested to do so. In order to enforce our claim for surrender, we may also enter the premises of Purchaser subject to prior announcement and fixing of time period so as to take possession of such goods. Further, as soon as we have withdrawn from a contract or as soon as the conditions for our claiming damages due to non-performance have occurred, we may realize any of the goods so surrendered in order to satisfy our claims.

If the combined value of our security interests exceeds the value of all secured claims by more than 20 %, we shall release a corresponding part of the security interest if so requested by the Purchaser.

## VI. PAYMENTS, EXCLUSION OF OFFSETTING

Unless otherwise agreed upon, any receivables under our invoices shall be due and payable to their net amounts (without discount) within thirty days following receipt of

invoice. All payments shall be made solely to the bank accounts set forth on our invoices, stating the respective invoice number.

- Notwithstanding any terms of Purchaser to the contrary, we shall be entitled to offset payments first against older debts of Purchaser. If we have already incurred cost an interest, we may initially offset Purchaser's payments against such cost, then against interest, and finally against the principal performance.
- In case of default, we charge interest at the rate of 5 % above the base rate applicable from time to time. We reserve the right to assert further claims, in particular an excess damage caused by delay.
- We may accelerate maturity of the remaining debt as a whole if Purchaser fails to comply with its payment commitments, if Purchaser suspends payments, or if we become aware of other circumstances raising doubt as to Purchaser's credit standing.
- Purchaser may not offset against our receivables unless a counterclaim is uncontested, has been established by final judgement or acknowledged by us. Purchaser may not exercise any right of retention unless the relevant counterclaim is uncontested or has been established by final judgement.
- We shall not be obligated to accept checks. When allowing Purchaser to provide check, acceptance shall be subject to pending full discharge of the debt. Also, we shall not be obligated to present a check in due course for collection.

## VII. WARRANTY

- All goods or services where a Defect becomes apparent within the limitation period shall, at our discretion be repaired, replaced or provided again free of charge irrespective of the hours of operation elapsed, provided that the reason for the Defect had already existed at the time when the risk passed. Data relating to our goods, including references made to DIN or ISO standards, guidelines and other domestic or foreign quality standards as well as analyses or descriptions of physical properties of our goods which have been made available by us, must by no means be understood as being a guaranty within the meaning of § 276 para. 1 BGB, unless otherwise expressly agreed upon in writing.
- Claims based on Defects are subject to a limitation period of 12 months. The Purchaser must notify Defects to us in writing and without undue delay.
- Slight deviations in dimensions, shape or colour as well as natural wear and tear are not considered as being defects. Impairments resulting from improper use of the goods are also not considered as being defects. Warranty claims shall be excluded due to redispach or machining/processing of the goods or through other circumstances if it is no longer possible to perform proper testing and to determine whether or not the goods were actually defective.
- The Purchaser shall first give us the opportunity to supplement our performance within a reasonable period of time. If supplementary performance is unsuccessful the Purchaser shall be entitled, to cancel the contract or reduce the remuneration irrespective of any claims for damages it may have according to Art. VIII.
- The Purchaser shall have no claim with respect to expenses incurred in the course of supplementary performance, including costs of travel and transport, labour and material to the extent that expenses are increased because the goods were subsequently brought to another location than the Purchaser's office, unless doing so complies with the intended use of the goods.
- Furthermore, the provisions of Art. VIII (Liability) shall apply in respect of claims for damages. Any other claims of the Purchaser against us or our agents or any such claims exceeding the claims provided for in this Art. VII, based on a Defect, shall be excluded.

## VIII. LIABILITY

Claims for damages shall be excluded irrespective of the legal grounds therefore. Exclusion of liability shall not apply in the case of damage resulting from intentional or gross negligent infringement of contract by one of our legal representatives or vicarious agent or if a substantial contractual obligation is culpably violated by one of our legal representatives or vicarious agents. If a substantial contractual obligation is violated, the claim for damages shall be limited to the replacement of the typical, foreseeable loss. The exclusion of liability shall neither apply to claims for damages based on the product liability law or damages as a result of deadly or bodily injuries or injuries to health.

## IX. AMENDMENTS, SEVERABILITY

Any amendments to the contract must be in writing. Our staff and agents are not entitled to enter into oral ancillary agreements, undertakings, or agreements for the amendment of the contract. If portions of these terms are deemed invalid, the remaining portion shall continue in full force.

## X. INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

Any information about processing alternatives or possible applications in relation to, or about the maintenance or operation of the goods supplied by us as well as any technical advice and other data are provided to the best of our knowledge but without binding force and to the exclusion of any liability unless caused by willful conduct or gross negligence on our part when providing such information. In case of the conclusion of an advisory contract or if there should be a corresponding collateral duty under a contract our liability shall be limited in accordance with Art. IX. We retain the copyright to an designs and other engineering material. These may not be disclosed to third parties.

## XI. DATA PRIVACY AND ASSIGNMENT

Purchaser is hereby notified in accordance with § 33 of the German Federal Data Protection Act that its data will be stored by us.

## XII. CHOICE OF LAW, JURISDICTION

- The laws of the Federal Republic of Germany shall apply. Applicability of the United Nations Convention on Contracts for the International Sale of Goods of 1980 is expressly excluded.
- Place of jurisdiction for all disputes shall be Karlsruhe, Germany. However, we are entitled to sue the Purchaser also at his place of business.

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