

Translation of

General Purchase and Delivery Terms

1. Validity of the terms – written version

1.1 For the legal relations between our company (seller) and our contract partners (customer) these terms are exclusively valid. Terms that are deviating from these purchase and delivery terms are only valid on written agreement of the seller, also if deviating terms will not be contradicted or deliveries effected without contradiction.

1.2 Amendments or additional agreements of a contract or this term must be in written, also any declaration of the seller after contract closing. Supplementary agreements are only valid on written confirmation of the seller, which is also necessary for agreements with agents or employees of our company.

1.3 Should any of these purchase and delivery terms get partially or totally invalid, all other terms remain valid.

2 Contract closing

2.1 Offers and sales documents of the seller are subject to alteration. Contracts are only valid after written confirmation of the seller. Production documents, pictures, drawings also samples and weight and other technical details are only roughly decisive, if not particularly explained to be binding in written. They are no sure feature.

2.2 Deliveries are based on the written confirmation or other written agreements of the Seller.

2.3 Changes of the construction of the material goods and the fabrication are admissible on condition that the price, main function details or lead time will not be changed.

3 Price - Payment terms

3.1 Prices will be invoiced and are payable in Euro. They include customary packing and are ex-works-prices up to net invoice amount to 2.500 Euro. From net invoice amount of 2.500 Euro they are delivered free address Germany, on cross-frontier deliveries free German frontier.

The prices are subject to the legal VAT.

3.2 Freight cost which must be paid by the customer will be invoiced separately. The seller may demand cash in advance. Additional freight, freight costs caused by a special kind of transport, which is requested by the customer and costs that extend the customary packing must be paid by the customer.

3.3 Changes of taxes, customs duty after contract closing cause an according change in price.

3.4 If there is no other agreement made, invoices are due and payable net within 14 days from date of invoice.

3.5 After expiry of the payment date as mentioned under fig. 3.4 the customer gets into delay and the seller has the right to invoice interest of 4% of the minimum lending rate.

3.6 The acceptance of drafts is subject to particular agreement: the customer pays any costs and expenses of the drawing and discounting. The seller has the right to return the draft and to demand cash payment, if discounting is not possible, to the terms mentioned under 3.4

3.7 Should the circumstances of the customer deteriorate significantly, on receipt of unfavourable information or on arrear with payments, the seller has the right (also in case of a draft) to demand standard banking practice surety, cash in advance for outstanding deliveries or immediate payment of outstanding invoices regardless of the rights of the seller as per fig. 5.3

3.8 In case of above mentioned 3.7 and payment delay, the seller is not obliged to effect further deliveries.

4 Delivery

4.1 The delivery terms are based on 3.1. The Incoterms are valid as per 6.1

4.2 The lead time begins with the date of the confirmation, but not before having clarified all technical details, submitting of necessary approvals or receipt of an agreed down payment or payment surety. Meeting the lead time will be made only on reservation of the fulfilment of all customer's duties. The lead time is met when having despatched the goods or informed about goods being ready for despatch. The seller decides the kind of despatch on free deliveries.

4.3 Partial or early deliveries are admissible. Every partial delivery is a special delivery on Terms mentioned. Deliveries on call that of partial deliveries that are not in time abolish the obligation of delivery by the seller without the customer getting any rights due to this abolishment.

4.4 The leadtime will be prolonged on occurrences that are unexpected, unusual and not caused by the seller, especially strike, lockout, breakdown, also when occurring during a caused delay. The parties have the right to withdraw from the contract after delay in delivery that takes more than 10 weeks from the delivery date. Claims that extend this right by the customer do not exist.

4.5 Is the delay caused by the customer, the seller has the right to assert a higher damage Higher stock costs. The seller has the right to invoice stock costs of 0,5% of the invoice amount for every beginning month. The seller has the right to have the goods

at his disposal after an unsuccessful expiry of an appropriate period of accepting the goods and to deliver the customer with prolonged period or to withdraw from the contract.

- 4.6 In case of delivery delay the customer is obliged to grant an extension of 3 weeks, or On self delivery from abroad, to grant an appropriate longer period to fulfil. After unsuccessful expiry the customer has the right, in case he was caused any damage by the delay, for estimated satisfaction of the delay damage under exclusion of further claims, to enforce compensation of 1% of the part of the delivery value which was concerned from the delay , but max. 5% of the concerned delivery value.

The right of the customer to withdraw from contract after unsuccessful expiry of the extension remains untouched. On impossibility of delivery, caused by the seller, in spite of the granted extension as per 4.6 and threat of refusal, the customer has the legal right to withdraw from contract.

- 4.7 liability of compensation of the seller is confined to the invoice amount of the not effected delivery, but only on condition that the seller did not act with intent or negligence.

5 Reservation of Proprietary Rights

- 5.1 The delivered goods remain proprietary of the seller until all his rights to the purchaser that are based on the contract have been fulfilled. In case of connection with other goods or processing of the goods by the purchaser, the goods will become partially proprietary of the seller up to the fraction that corresponds to the value of the delivered goods proportional to the other goods used by the purchaser on time of connection. Bailment, assignment as security or other directions that restrict the reservation of proprietary rights are not admissible. Intervention costs are chargeable to the purchaser.
- 5.2 If the purchaser is re-seller, he is precariously allowed to re-sell in common business, but the purchaser has to agree with his customers on a reservation of proprietary rights according to the above mentioned condition. Herewith the purchaser cedes and pledges his demands out of the re-selling of the goods to the seller up to the invoice value as well as the rights on the agreed reservation of proprietary rights. He is obliged on request to inform the purchasers about the ceding/bailment and to hand over the necessary information and documents to the seller for the enforcement of his rights.
- 5.3 Also in case of delayed payment of partial demands the seller has the right to exert his proprietary rights as well as the assigned rights, revocation of the resale permission and particularly the seizure of goods. The purchaser is obligated to surrender the goods. The purchaser explicitly renounces his title.
The payment delay is coequal to cessation of payment, initiation or measures in preparation for insolvency proceedings, initiation of liquidation proceedings, violation of the obligation according fig. 5.1 or legal enforcement into the estate of the purchaser. The same in case of fig. 3.7
- 5.4 If the value of the sureties of the seller extends the demands by more than 20% the

seller will release sureties on customer's demands to his choice on an according extent.

- 5.5 The customer/his legal representative will deliver to the seller an opening resolution Within 3 days after the decree has been made.

6 Danger transition

- 6.1 The danger takes the customer also when delivery free frontier has been agreed:
- a) if the goods will be despatched or collected
 - b) if the despatch will be not effected or effected with delay, which has been caused by the customer, with date of information of the goods being ready for despatch or with expiry of the agreed delivery date.

- 6.2 A transport assurrancy will be only token out on customer's order and cost.

7 Guarantee and Liability

- 7.1 It is subject to the legal law. The guarantee period is also subject to the legal law.
- 7.2 The obligation to guarantee by the seller will only be on condition that the customer reprimands in partial visible faults within 8 days after receipt of the goods and the goods are still in his possession. Processing or despatching the goods finished the obligation to guarantee by the seller, also improper treatment of the good. Faults that will be discovered later have to be partially reprimanded in written within the same period from discovery.
- 7.3 On justified, proper complaint the seller will guarantee by making improvement or delivering replacements. Will the fault remove be effected by making improvement or delivering replacements not within a proper period, it will be refused. Will it the fault remove be delayed or does the improvement or delivery of replacement fail, which has been caused by the seller, then the seller has the choice to withdraw from contract or reducing the price.
- 7.4 The liability of the seller is confined on the price of the good that has caused the damage or that is object of the claim.
- 7.5 The seller is not liable for resultant damages of the fault, lost profit, damages from claims of third persons and other resultant damages. Above mentioned confinements and exclusion of liability are not valid for damages that have been caused with intent or with negligence. Also liability for confirmed feature of the good remains untouched.

8 Court of jurisdiction

- 8.1 The rights and claims of the customer against the supplier are only transmittable on his agreement.

8.2 Only the German laws are valid for the legal relations between seller and customer.
The law for closing international bills of sale for mobile goods, the law for international purchase of mobile goods and the UN-decree for international sale is not valid.

8.3 Court of jurisdiction for all legal disputes is Fulda.