

General Terms and Conditions of Sale of Arntjen Germany GmbH

§ 1 Area of applicability

1. The following general terms and conditions apply for all contracts, deliveries, assembly and other performances and offers from Arntjen Germany GmbH. They also apply for all future business relationships, even if they have not been expressly agreed upon. These conditions apply as accepted when commissioning Arntjen Germany GmbH. The contractual partner's confirmations to the contrary, with reference to its terms of business, purchasing or contract, are hereby rejected.

2. Deviations from these general terms and conditions are only valid if this has been confirmed in writing by Arntjen Germany GmbH. The waiver of this formal requirement also requires the written form.

§ 2 Quotation and conclusion of contract

1. The quotations of Arntjen Germany GmbH are subject to confirmation and non-binding, insofar as they are not expressly identified as binding. Orders require the written confirmation of Arntjen Germany GmbH for their legal validity.

2. Side agreements, changes and additions are only valid if they are confirmed in writing by Arntjen Germany GmbH.

3. The information, drawings, measurements, figures, technical data, weights, dimensions and performance descriptions contained in brochures, catalogues, newsletters, advertisements, price lists, on the internet as well as in assembly instructions or in the documentation belonging to the quotation are only approximations, insofar as they are not expressly identified as binding. Through payment of the claims of Arntjen Germany GmbH, the contractual partner is granted neither a simple nor exclusive right of use in the sense of the German Copyright Law and other legal regulations. All rights are reserved by Arntjen Germany GmbH. This also applies for completed drawings, drafts, final artwork, blueprints, photocopies, etc. This documentation remains the property of Arntjen Germany GmbH, even after payment, and must be handled confidentially by the contractual party and may not be made accessible to third parties.

4. Insofar as sales representatives or trade partners strike verbal side agreements or give assurances which go beyond the written contract, they always require the written confirmation of Arntjen Germany GmbH.

§ 3 Delivery conditions, default, impossibility of delivery

1. The deadlines and periods specified by Arntjen Germany GmbH only apply as binding fixed deadlines in cases where the deadlines or periods are expressly identified by Arntjen Germany GmbH in writing as fixed deadlines. Deadlines and periods which are not expressly identified as fixed deadlines are only approximately binding. The delivery period begins with the day that the order confirmation is sent and is received, if the delivery item has left the factory by its lapse or the readiness for delivery has been communicated. Three weeks after an approximately binding delivery deadline or an approximately binding delivery time has been exceeded, the contractual partner can demand delivery within a reasonable grace period. On the unsuccessful lapse of this period, Arntjen Germany GmbH is in default insofar as the legal requirements are given.

If it is the contractual partner's responsibility to procure documentation, authorizations, permissions or approvals or the contractual payment is not received or the contractual partner breaches other duties incumbent upon it, even from other contracts - especially payment obligations - the delivery or production period is stopped for the corresponding time period. In the event of delivery and performance delays based on force majeure and based on events which significantly impede the delivery or make it impossible - this also includes the subsequent occurrence of material procurement difficulties, operational interruptions, strikes, lock-outs, shortages in personnel, deficient transport means, official orders, etc., even if they have occurred with suppliers of Arntjen Germany GmbH or their subcontractors - Arntjen Germany GmbH is not responsible, even with bindingly agreed periods and deadlines. Arntjen Germany GmbH shall immediately inform the contractual partner about the aforementioned circumstances and grounds in

regard to the occurrence and the lapse. With the occurrence of such grounds or circumstances, the contractual partner can demand that Arntjen Germany GmbH declares of whether it wants to withdraw from the contract or deliver within a reasonable grace period. If it does not provide a declaration within a reasonable time period, the contractual partner can withdraw. Arntjen Germany GmbH is entitled to delay the delivery or performance for the duration of the hindrance plus a reasonable start-up time or to withdraw from the contract partly or entirely on the basis of the part which has not been fulfilled yet. If the obstruction lasts longer than three months, the contractual partner is entitled, after the setting of a reasonable deadline, to withdraw from the contract in regard to the part which has not been fulfilled yet.

2. Arntjen Germany GmbH is entitled to partial deliveries and performances.

3. If an agreed delivery period is not observed for reasons for which Arntjen Germany GmbH is responsible, the contractual partner is entitled, to the exclusion of further claims, to demand compensation for wasted expenditures or to withdraw from the contract, if Arntjen Germany GmbH has not acted with gross negligence or intent. Any compensation is limited to 5 % of the delivery value, whereby the customer retains the right to prove higher damages. A withdrawal is barred if the purchaser itself is in default of acceptance.

Liability is excluded if damages would have also occurred with a timely delivery.

4. If the shipment is delayed at the request of the contractual partner, the contractual partner will be charged at least 0.5 percent of the invoice amount per month for the expenses accrued from storage when the delivery item is stored on the premises of Arntjen Germany GmbH, starting one month after notification of readiness for delivery. However, after the setting of a reasonable grace period and its unsuccessful lapse, Arntjen Germany GmbH is entitled to an ulterior use of the delivery item and to supply the customer after a reasonably extended period.

§ 4 Transfer of risk, receipt and acceptance

1. If the performance of Arntjen is only comprised of a delivery, the risk transfers to the contractual partner as soon as the shipment has been handed over to the person carrying out the transport or has left the company grounds of Arntjen Germany GmbH for the purpose of shipment, even if partial deliveries take place or Arntjen Germany GmbH has assumed other performances, such as the costs of shipment or delivery and installation. This also applies if the delivery takes place with the company vehicles of Arntjen Germany GmbH. Arntjen Germany GmbH will only insure the shipment through the deliverer against theft, breakage, transport damages, fire damage and water damage as well as other insurable risks at the express wishes of the contractual partner and at the expense of the contractual partner.

2. If the shipment is delayed as a result of circumstances for which the contractual partner is responsible, the risk transfers to the partner on the day of the readiness for delivery; however, Arntjen Germany GmbH is obligated to arrange for insurance at the risk and expense of the contractual partner, if it expressly demands this in writing.

3. Delivered objects which exhibit insignificant defects must be received by the contractual partner irrespective of the rights from § 8.

§ 5 Prices and payment

1. Insofar as nothing different is specified, Arntjen Germany GmbH is considered bound to the prices included in its quotation for thirty days from its date. In the absence of a separate agreement, the prices apply for delivery without assembly ex works, but excluding packaging. The contractual partner must arrange for the disposal of the packaging.

2. Furthermore, prices are always to be understood as net amounts without the value-added tax at the respective legal level. Invoices are payable without deduction, insofar as nothing different has been agreed upon. Cash discounts require prior agreement. If a cash discount is agreed upon, the payment must take place within eight days of the date of invoice. The receipt of the funds in the account of the user is authoritative. The cash discount is forfeited in the event of a late receipt. Arntjen Germany GmbH expressly reserves the right to reject checks. Acceptance only takes place as payment. Discount and note charges go to the encumbrance

of the contractual partner and are due immediately. Payments for repairs are due immediately without deduction. If a separate agreement guarantees the contracting entity a cash discount or reduction, this does not apply for subsequent or later orders, as a basic rule.

3. The repayment of payments or the off-setting based on any counterclaims of the contractual partner which are disputed by Arntjen Germany GmbH are not permitted unless the claims are legally valid. For the offsetting of performances for open items, the calculation provision of § 366 para. 2 BGB [German Civil Code] is agreed as binding to the exclusion of the decision-making authority of the debtor.

4. In the event of default of payment of a company, Arntjen Germany GmbH is entitled to charge default interest in the amount of 8 % above the basic interest rate without prejudice to the verification of a higher interest loss. In the event of default of payment of a consumer, Arntjen Germany GmbH is entitled to charge default interest in the amount of 5 % above the respective basic interest rate.

Insofar as Arntjen Germany GmbH can demand due date interest, it is 8 % above the respective basic interest rate, without prejudice to the verification of a higher interest loss.

§ 6 Retention of title, property and processing

1. Arntjen Germany GmbH retains the title to the delivery item until the receipt of all payments for the supply agreement. In cases where goods are obtained by the contractual partner in the scope of its commercial activity, Arntjen Germany GmbH shall be granted the following securities which it shall release on request according to its discretion, insofar as their value exceeds the claims by 20% on a long-term basis until the fulfillment of all claims, including all current account claims against the contractual partner to which Arntjen Germany GmbH is currently entitled or will be entitled to on any legal basis:

a. The goods remain the property of Arntjen Germany GmbH. Processing or transformation always takes place for Arntjen Germany GmbH as a manufacturer, however, without its obligation for this. If the (co-) ownership of Arntjen Germany GmbH expires through combination, it is hereby agreed that the contractual partner's (co-) ownership of the single item is transferred to Arntjen Germany GmbH pro rata. The contractual partner shall keep the (co-) ownership of Arntjen Germany GmbH safe without compensation. Goods to which Arntjen Germany GmbH is entitled (co-) ownership are hereafter referred to as goods subject to retention of title.

b. The contractual partner is entitled to process and sell the goods subject to retention of title in the regular course of business, insofar as it is not in default.

c. Pledges or transfers by way of security are not permitted. The claims arising from the resale or other legal basis (insurance, tortious act) in regard to the goods subject to retention of title, including all current account claims, are hereby assigned as security to Arntjen Germany GmbH in their full extent. Arntjen Germany GmbH accepts the assignment. In addition, this revocably empowers the contractual partner to collect the assigned claims for its invoice in its own name. The collection empowerment can only be revoked if the contractual partner does not properly meet its payment obligations. In the case of accesses by third parties to the goods subject to retention of title, the contractual partner shall indicate the ownership by Arntjen Germany GmbH and immediately inform Arntjen Germany GmbH.

2. In case of conduct of the contractual partner which is in breach of contract - especially default of payment - Arntjen Germany GmbH is entitled to take back the goods subject to retention of title or, if applicable, demand the assignment of the contractual partner's claims for return towards third parties. If the goods subject to retention of title are taken back or pledged by Arntjen Germany GmbH, it does not entail a withdrawal from the contract.

§ 7 Default of acceptance

If the contractual partner does not accept the contractual subject after the lapse of the reasonable grace period it has been granted, Arntjen Germany GmbH can withdraw from the contract or demand compensation for damages on the basis of non-fulfillment. Arntjen Germany GmbH can demand 25% of the agreed order price without deductions as compensation for damages on the basis of non-fulfillment in

the event of default of acceptance, insofar as the contractual partner does not provide proof that damages have not accrued in the amount of this lump-sum rate or that they have not accrued at all. In any case, the contractual partner is obligated to compensate Arntjen Germany GmbH for both storage costs and lost profit. Moreover, Arntjen Germany GmbH retains the right to the assertion and the verification of higher damages.

§ 8 Warranty and liability

1. No warranty is assumed for damages which have occurred for the following reasons: Natural disasters, unsuitable or improper use, faulty assembly and/or commissioning by the contractual partner or third parties, natural wear, improper or negligent handling, unsuitable tools and materials, substitute materials, improper construction work, unsuitable foundation, current fluctuations and errors in an emergency power supply, chemical, electrochemical or electrical influences, insofar as they are not the fault of Arntjen Germany GmbH.

The warranty of Arntjen Germany GmbH is rendered null and void for any modifications or repair work performed by the contractual partner or third parties.

2. All liability of Arntjen Germany GmbH is excluded for damages which arise from non-observance of information for the installation, operation and use, as well as warning notices affixed to the product.

3. If the purchaser is an enterpriser, Arntjen Germany GmbH may, at its own discretion, perform a rectification of defects or replacement delivery for defective goods.

4. If the purchaser is a consumer, it has the choice of whether the supplementary performance should take place through a rectification of defects or replacement delivery. Arntjen Germany GmbH is, however, entitled to refuse the selected type of supplementary performance if it is only possible with disproportionately high costs and the other type of supplementary performance does not entail significant disadvantages for the consumer.

5. If the supplementary performance is unsuccessful, the purchaser can, as a basic rule, demand a reduction in price or the nullification of the contract (withdrawal) according to its own discretion. The supplementary fulfillment only becomes unsuccessful after the second unsuccessful attempt. However, the customer is not entitled to a right of withdrawal in the event of an only minor breach of contract, particularly for minor defects.

6. Enterprisers must report obvious deficiencies of the goods in writing - also in regard to the order quantity and product type - within a period of one week after the receipt of goods; otherwise, the assertion of the warranty claim is excluded. The timely receipt at the business operations of Arntjen Germany GmbH is required for keeping this term. The enterpriser bears the full burden of proof for all conditions for a claim, especially for the defect itself, for the time at which the defect is discovered and for the timeliness of the reporting of defects. § 377 HGB [German Commercial Code] remains unaffected.

Consumers must report obvious defects to Arntjen Germany GmbH in writing within a period of two months after the time at which the condition of the goods, which is in breach of contract, was discovered. The receipt of the report by Arntjen Germany GmbH is decisive for keeping this term. If the consumer fails to communicate this report, the warranty rights expire two months after the discovery of the defect. This does not apply in the case of fraudulent intent on the part of Arntjen Germany GmbH. The burden of proof for the time of the discovery of the defect is borne by the consumer. If the consumer's purchase was based on inapplicable statements by the manufacturer, it bears the burden of proof that this was the basis of its decision to purchase. In the case of used goods, the consumer bears the burden of proof for the deficiency of the item.

7. If the customer chooses to withdraw from the contract due to defective title or material defects after failed supplementary performance, it is not entitled to damage claims based on the defect.

If the customer chooses compensation for damages after the failed supplementary performance, the goods are left with the customer, insofar as this is reasonable for the customer. The compensation for damages is limited to the difference between the purchase price and the value of the defective item. This does not apply if Arntjen Germany GmbH has fraudulently brought about the breach of contract.

8. The warranty period for enterprisers is one year from the time of delivery of the goods and six months for damage claims. The warranty period for consumers is two years from the time of delivery of the goods and one year for damage claims. In the case of used items, the period of limitation is one year from the time of delivery of the goods and six months from the time of delivery of goods for damage claims. This does not apply if the customer has not reported the defects on a timely basis (Numeral 6 of this regulation). If the purchaser is an enterpriser, the warranty obligation is excluded for used items. This does not apply if Arntjen Germany GmbH can be blamed for malice.

9. If the purchaser is an enterpriser, only the product description of the manufacturer is agreed upon as the quality of the goods, as a basic rule. Public statements, promotions or advertisements by the manufacturer, on the other hand, do not represent a specification of the quality of the goods in accordance with the contract.

10. If the customer receives an erroneous assembly manual, Arntjen Germany GmbH is only obligated to the delivery of an error-free assembly manual and this is only if the defect of the assembly manual is in conflict with the proper assembly.

11. The customer receives no guarantees in the legal sense. Manufacturer's warranties remain unaffected by this.

12. In the event of the return of goods, the time and method of delivery must be agreed upon ahead of time with Arntjen Germany GmbH. Returns which have not been agreed upon are not accepted. If goods to be returned are not dispatched within 10 days of the agreement, the invoice for this delivery is due without deduction.

In the event of an unauthorized return, Arntjen Germany GmbH will charge a processing fee of 15% of the net value of the goods.

§ 9 Limitations of liability

1. With slightly negligent breaches of duty, the liability of Arntjen Germany GmbH is limited to the foreseeable, typical and immediate average damages for the type of goods. This also applies for slightly negligent breaches of duty of legal representatives or vicarious agents.

Arntjen Germany GmbH is not liable to companies for slightly negligent breaches of insignificant contractual duties.

2. The aforementioned limitations of liability do not pertain to claims of the customer from the product liability. Moreover, the limitations of liability do not apply for physical injury and damage to the health or with the loss of life of the customer which are attributable to Arntjen Germany GmbH.

3. With the production and/or manufacture of the item in accordance with the drawing or contract specification of the contractual partner, Arntjen Germany GmbH is only liable for the execution in accordance with the drawing and contract specification. The risk of marketing such product parts which are produced according to the drawing and binding design instructions is borne solely by the contractual partner.

4. The goods meet the statutory guidelines in Germany. Arntjen Germany is responsible for assuring this condition and the corresponding quality of the goods. Arntjen Germany GmbH is not liable for claims which arise from the regulations in a different country that are formulated differently or are supplemental.

§ 10 Compensation for termination of contract

If a contract is terminated at the instigation of the contracting entity, the contracting entity must pay a compensation amounting to 10% of the net order value, without prejudice to the possible assertion of higher damages.

§ 11 Repair services

1. If Arntjen Germany GmbH is obligated to repair services, they are to be performed in accordance with the regulations listed above - insofar as legally permissible.

2. Quotations and estimated repair periods are only binding if they have been expressly identified as binding. In the case of repairs which cannot be performed, the repair object is

only to be taken back on the express wishes and cost assumption of the contracting entity, unless the work which was performed was not necessary.

3. If nothing different is agreed upon in writing, the contracting entity bears the expenses and the risk of the transport of the repair object, including packaging and loading, when the repair takes place on the premises of Arntjen Germany GmbH. There is no insurance protection during the repair time in the factory of Arntjen Germany GmbH. The contracting entity must ensure the perpetuation of the insurance protection for the repair item, including fire, mains water, storm and machine breakage insurance. Insurance will only be arranged for by Arntjen Germany GmbH for the duration of the repair, including the transport, on the express wishes of the contracting entity and at its expense.

§ 12 Applicable law, jurisdiction, place of fulfillment

1. The place of fulfillment and exclusive jurisdiction for deliveries and payments (including actions over checks and bills of exchanges), as well as all disputes arising between the parties is the location of the main office of Arntjen Germany GmbH or the subsidiary carrying out the delivery, if the contractual partner is a dealer, a legal entity under public law or a special fund under public law. Arntjen Germany GmbH is also entitled to take action at the location of the main office of the contractual partner.

2. The law of the Federal Republic of Germany applies for these business relationships and all legal relationships between Arntjen Germany GmbH and the contractual partner, to the exclusion of the UN Convention on the International Sale of Goods. German is the language for negotiations and contracts. Insofar as the agreement of the aforementioned jurisdiction is not permissible for a foreign contractual partner on the basis of the law of the respective country of the contractual partner, Zurich (Switzerland) is agreed upon as the jurisdiction.

3. If a provision in these general terms and conditions or a provision in the scope of other agreements should be or become invalid, the validity of all other provisions or agreements remains unaffected thereof. A replacement regulation should be found which comes as close as possible to the content, meaning and purpose of the invalid regulation.

Version: September 2010