

General Terms and Conditions

Preface

The following Conditions of Sale, Delivery and Payment shall apply to all contracts, deliveries and other services, including consultancy services and information services between the Eisenacher elektroTECHNIK GmbH (hereinafter Eisenacher) and commercial purchasers that are entrepreneurs in terms of § 14 German Civil Code.

Individual contractual agreements in the contractual relationship between Eisenacher and the purchaser precede the following terms and conditions. Should any of the following provisions be ineffective, then the validity of the remaining provisions shall not be affected.

Conflicting conditions of the purchaser are not binding upon Eisenacher. Eisenacher hereby expressly objects against any business conditions of the purchaser. This also applies if the purchaser objects in his purchase conditions the validity of Eisenacher's conditions and if Eisenacher refrains from expressly rejecting once more. This also applies to all offers and orders.

1 Offer and acceptance

- (1) All orders placed at Eisenacher directly by the purchaser shall require acknowledgment by a written confirmation of order.
- (2) Deviations of the ordered or supplied articles from the purchase order, especially regarding material and design, are expressly reserved within the scope of technical progress. All drawings, illustrations, dimensions, weights and other performance data in this catalogue are not binding. The right to make changes or alterations is explicitly reserved.
- (3) The usual tolerances apply to the dimensions and data of all products from Eisenacher, unless anything different is agreed upon. The goods shall be according to agreement if the rate of faulty parts or a possible discrepancy of quantity does not exceed +/- 5 %. Eisenacher reserves the right to change the delivery quantity up to +/- 15% of the order quantity.
- (4) Call-off orders are limited for a maximum of 12 months after confirmation of order. The single amounts have to be called from Eisenacher by the purchaser in a way that Eisenacher can fulfil the whole order within one year after confirmation of order.

2 Delivery period

- (1) Delivery deadlines and delivery dates shall only be deemed to have been agreed with binding force if they have been explicitly confirmed in writing.
- (2) The delivery by Eisenacher is subject to due and orderly delivery to Eisenacher itself. Eisenacher shall inform the customer without delay if delivery to itself does not occur or belatedly takes place (non availability of goods). If the purchaser already made any payments they shall be compensated without delay. If the orderly delivery to Eisenacher itself does not take place, the immediate information of the purchaser and the immediate compensation for any counter-performances justifies the withdrawal from the contract to the purchaser. Eisenacher assumes no risk of procurement.

(3) Prior condition for keeping the delivery period is the in-time performance of the contractual obligations assumed by the purchaser, especially the agreed payments and, if required, the agreed securities.

(4) Furthermore, in case of delay due to Eisenacher's fault, the purchaser shall be entitled to assert further rights only after setting a deadline of minimum three weeks and this deadline also expired unsuccessfully.

3 Delivery

(1) If shipment of the ordered products is required, it is performed ex works Eisenacher's head office and on account and at risk of the purchaser. In default of special agreements, Eisenacher has the right to select the haulage company as well as the means of transportation. The risk of accidental loss or deterioration of the goods shall pass to the purchaser upon the moment in which the goods have left out premises, even if free delivery is agreed upon.

(2) In case shipment is delayed due to conditions caused by the purchaser, risk shall already pass over to the purchaser with the time of readiness for shipment. The costs arising due to the delay (especially storage expenses) shall be paid by the purchaser.

(3) Eisenacher shall not be obliged to insure or have the consignment insured against damage in transit, unless Eisenacher has accepted such an obligation in writing.

4 Liability for defects

(1) The purchaser shall be committed to inspect the delivered goods immediately after delivery and to report existing defects without delay (no later than the 5th workday following the day of delivery) to Eisenacher in writing. Defects being reported with delay, i.e. in contrary to the above commitment, shall not be considered by Eisenacher and shall be excluded from warranty. Notification of defects shall be accepted by Eisenacher only if filed in writing. Notification of defects reported to haulers or other third parties shall not be considered as complaints in accordance with form and within the period stipulated.

(2) The return of the goods to Eisenacher in case of a defect can be performed only with prior consent of Eisenacher. Returns without the prior consent of Eisenacher must not be accepted. In such a case, the purchaser shall pay the costs of the return.

(3) In case that due to a legitimate notice of defects, improvement or compensation delivery is performed, the provisions of the period for delivery are effective respectively.

(4) A detected defect reported by an effective notification of defects justifies the following rights for the purchaser:

(a) In case of faultiness, the purchaser shall first have the right to demand supplementary performance of Eisenacher. Eisenacher shall have the right to select between redelivery of the product or repair of the defect by his own opinion.

(b) Furthermore, Eisenacher shall have the right to perform another redelivery, again of his own choice, in case the supplementary performance failed. Only after failure of the repeated supplementary performance, the purchaser shall be entitled to withdraw from the contract or to diminish the purchase price.

(5) The purchaser shall have the right to demand compensation or reimbursement of vain expenditure exclusively in case of grossly negligent or deliberate breach of the duty to deliver faultless products. The purchaser shall prove cause and extent of the damage. The same shall apply to the vain expenditures.

(6) The period of warranty for new and used goods ends one year after delivery. In every case, the purchaser must prove that the defect already existed at the time of delivery.

5 Liability for Eisenacher's breach of duty in other cases

Without affecting the provisions of guarantee and other special regulations determined in these terms, in case of violation of commitment by Eisenacher, the following shall be effective:

(1) The purchaser shall grant a period for supplementary performance of at least three weeks to Eisenacher in order to compensate for the breach of duty. The purchaser has the right to withdraw from the contract and/or claim compensation only after expiry of the period for supplementary performance without any result.

(2) The purchaser has the right to assert compensation only in case of grossly negligent or deliberate breach of duty by Eisenacher. Compensation instead of service (in case of non-performance, § 280 III and § 281 German Civil Code) as well as delaying damage (§ 280 II and § 286 German Civil Code) shall be limited to the interest due to reliance on trustworthiness; compensation for service not performed or not performed as owed (§ 282 German Civil Code) shall be limited to the amount of the purchase price. Compensation instead of service with exclusion of duty of service (impossibility) shall be excluded.

(3) In case the purchaser is solely or mainly responsible for conditions entitling him to withdraw from the contract, or if the condition entitling him to withdraw from the contract occurred during the acceptance delay of the purchaser, withdrawal shall be excluded.

6 Exclusion of risk of procurement and warranties

Eisenacher does not accept any risk of procurement or any other similar warranties, unless an explicit written agreement has been arranged with the purchaser.

7 Prices

(1) Unless specified otherwise in the order confirmation, the prices quoted are always ex and exclusive of statutory sales tax at the relevant amount at the time and which will be added to them.

(2) Packing will be billed separately and will not be taken back.

(3) The market-based calculation of the metal surcharge for items made of brass and copper is determined on the day of order confirmation.

(4) In case of small orders below € 100 without value added tax we will charge an additional fee (handling fee) amounting to € 25.

8 Terms of Payment

(1) Invoices are due for payment in full without any deductions within 20 days of date of invoice. Discounts shall be deemed to have been agreed only if Eisenacher has explicitly provided written confirmation of them. Payment is

deemed to be made on the date the amount is credited to the point of payment credited by us.

(2) In the case of default in payment and after a notice of default, default interest in the amount of 8 % over the respective base interest rate must be paid on the invoice total.

(3) In case that bills of exchange or checks are not credited on schedule by the drawee, all other existing claims of Eisenacher against the purchaser shall become payable at this time. Other existing periods of payment shall expire. The same shall apply in the event a claim is not paid when due.

(4) Retention of payment or offset due to any existing counter-claims of the customer is excluded, with the exception of undisputed claims or claims which have been recognised by declaratory judgment.

(5) All claims of Eisenacher against the Purchaser arising from any legal relationship whatsoever shall become payable at once if a situation occurs that entitles Eisenacher to withdraw from the contract according to the legal or contractual regulations.

9 Reservation of title

(1) Every product delivered by Eisenacher shall remain property of Eisenacher until the purchase price is completely paid and all other claims resulting out of the business relation have been settled (extended reservation of property). A disposition, however it may be, of the goods under reservation of title by the purchaser is allowed only within the regular business transactions of the purchaser. Under no circumstances shall the goods be made over to third parties for security reasons within the regular business transactions.

(2) In case of sale of the goods within the regular business transactions, the paid purchase price shall replace the product. At that time already, the purchaser cedes all claims resulting out of a possible disposition over to Eisenacher. The purchaser is entitled to collect these claims as long as he fulfils his payment duties against Eisenacher. With regard to the extended reservation of title (advance transfer of the respective purchase price claim), a cession over to third parties, especially to a credit institute, shall be regarded as contrary to the contract and thus inadmissible. Eisenacher shall have the right to check the sales documents of the purchaser at any time and to inform the purchaser's customers of the cession.

(3) In case the claim of the purchaser out of the resale has been included in a current account, the purchaser cedes with that also his claim out of the current account against his customer over to Eisenacher. The cession shall be to the amount that Eisenacher has charged the purchaser for the resold reserved products.

(4) In case of a seizure of the goods at the purchaser, Eisenacher shall be immediately informed by sending a copy of the compulsory execution report and a declaration in lieu of an oath that the seized goods are the goods delivered by Eisenacher and being under reservation of property.

(5) If the value of the securities in accordance with the paragraphs above in this section exceeds the amount of the still open claims secured by that for a foreseeable time by more than 20%, the purchaser shall be entitled to claim the release of securities to the extent that level is exceeded.

(6) The enforcement of Eisenacher's rights out of the reservation of title shall not release the purchaser from his contractual duties. The value of the

products at the time of the return is only charged with the existing claim of Eisenacher against the purchaser.

10. Eisenacher's right of withdrawal

(1) Eisenacher shall be entitled to withdraw from the contract for the following reasons:

(a) If, in contrary to the assumption prior to conclusion of contract, Eisenacher has reason to doubt the purchaser's creditworthiness. Credit unworthiness can be assumed without further ado in case of rejection of bills or checks, suspension of payment by the purchaser, or if the purchaser is the object of an ineffective compulsory execution. It is not required that the relationships are between Eisenacher and the purchaser.

(b) If it proves that the purchaser has given incorrect information regarding his creditworthiness and that these information are of considerable importance.

(c) If the goods being under reservation of title of Eisenacher are disposed of in another way than within the regular business transactions of the purchaser, especially by security cession or seizure. The only exceptions shall be in so far as Eisenacher has declared his consent to the disposal in writing.

11. Place of contract fulfilment and court of jurisdiction

(1) As the purchaser is an employer or legal entity of the public law or separate property under public law, the headquarters of Eisenacher shall be the exclusive court of jurisdiction for all liabilities resulting directly or indirectly out of the contractual relationship. All duties resulting out of the contractual relationship shall be regarded as to be fulfilled at the headquarters of Eisenacher.

(2) In any case, especially for international deliveries, the law of the Federal Republic of Germany shall be effective.

These General Terms and Conditions are provided in German and English. In the event of a discrepancy, the German version prevails.