

General purchase conditions

Stand: 13/10/2008

1. Validity of the purchase conditions

1.1 The following conditions shall apply for all orders made related to the supplier. Should the supplier use conflicting or complementary conditions, their validity to us shall be excluded, even if we have not expressly objected their content.

1.2 With the acceptance of an order, at the latest, however, with delivery of the product ordered by us the supplier accepts our conditions; any contrary or complementary conditions shall not become part of the contract.

2. Orders

2.1 Our orders shall only be obliging if they are made in written form. Any orders made orally, online or on the phone shall not be regarded as obliging and require written confirmation. Supplements and changes of the orders as well as subsidiary agreements shall also be made in writing in order to become valid.

2.2 The supplier must accept the order handed in by us in writing. Any confirmation of our order, which is deviant from our order in content, shall be regarded as a new offer and must be accepted by us in writing. In no case shall our stillness be seen as recognition of any deviant content concerning the confirmation of order.

3. Delivery date

3.1 The goods must be delivered to the dispatch address and / or the appointed work performance must be finished for our acceptance by the agreed delivery date. The supplier is obliged to inform us immediately if the delivery date or production date cannot be achieved, however, such an announcement shall not release the supplier from any liability of on-time delivery.

3.2 The supplier, provided that he gets in default, shall compensate any damage thereby caused to us. The amount of this damage shall be agreed upon with a lump-sum:

Märzhäuser Wetzlar GmbH & Co. KG can assert each day of the delay with 0.5%, at the most however 10% of the whole order volume as fixed damages. The supplier shall be entitled to prove that the delay caused either no or less damage to us whereas we shall also be entitled to require higher damages, if we are able to prove this.

4. Dispatch, transfer of ownership, packaging and transport material

4.1 Goods must be dispatched to our exact respective dispatch addresses. All deliveries must contain two copies of a delivery note with the specific code numbers and order numbers of Märzhäuser Wetzlar GmbH & Co. KG as well as the order date. In addition, our purchasing order number must be stated in the dispatch address.

4.2 The ownership of any goods produced for us and delivered to us by the supplier as well as objects

and products (in the following named Subject of Delivery) must be transferred to us on arrival of the Subject of Delivery at the dispatch address. Every reservation of proprietary rights declared by the supplier shall be ineffective.

4.3 The supplier is engaged to take back all packaging and transport material (in the following named Packaging Material) of any kind should we require this of him. The supplier must always take back Packaging Material that comes with any harmful or environmentally hazardous substances or preparations. The supplier shall be liable for any costs resulting from disassembling the Packaging Material or their transport to the supplier.

5. Production and work performance

5.1 The delivery of the Subject of Delivery as well as the execution of work performances shall be carried out exactly according to our specifications, or to specifications approved by us, to calculations, drawings, plans or models and by considering any appropriate legal and official regulations, in particular also of the Act on Technical Equipment, the decisive accident prevention regulations, other industrial safety regulations, the appropriate VDE regulations as well as generally approved security-technical and working-medical rules and regulations. If maintaining appropriate legal or official regulations require a deviation of our specifications or of the specifications approved by us, or of calculations, drawings, plans or models, the supplier must inform us of this immediately. We shall be entitled to withdraw from the contract unless this merely concerns an inessential deviation.

5.2 The supplier is obliged to inform all employees subordinated to him about the content of the appropriate regulations listed in paragraph 5.1 and must supervise measures, which serve the safety of the employees.

5.3 If the supplier has to mount the ordered Subject of Delivery, he shall inform himself about position and conditions of the setup site.

6. Inspection and acceptance

6.1 We or our representatives shall be entitled to check the production of the Subject of Delivery or the realization of the performances to be produced at any time during usual business hours after timely announcement to the supplier. However, any such kind of inspection carried out by us shall not release the supplier from his sole responsibility concerning contractual delivery or performance.

6.2 Condition, type, amount and weight of a delivery shall be regulated by values ascertained with our receiving inspection. We shall be entitled to reject excess or short deliveries beyond office-usual tolerance range.

6.3 Unless otherwise agreed upon, the acceptance shall be carried out at the dispatch address specified in our order. Any preceding inspection according to paragraph 6.1 and / or an examination according to paragraph 6.2 shall not be regarded as an acceptance. The acceptance must be carried out explicitly and is only obliging for us when confirmed by us in writing.

7. Prices

- 7.1 Unless otherwise agreed upon in writing, all prices shall be carriage and insurance paid to dispatch address and shall include packaging.
- 7.2 Price amendments shall require our written approval.
- 7.3 Unless otherwise agreed upon in writing, the terms of payment will be within 10 days of the month following delivery with deduction of 2% early payment discount or within 30 days after receipt of goods and / or invoice without deduction. The date of the payment instruction shall be decisive for the timeliness of payment.

8. Invoicing

Each invoice must be issued separately. The invoice must be addressed to Märzhäuser Wetzlar GmbH & Co. KG and posted separately. The invoice must contain the specifications prescribed in paragraph 4.1.

9. Documentation, confidentiality

All calculations, drawings, plans, models and other documents that we hand out to the supplier for processing our order shall remain our property; they may be used exclusively for the purposes agreed in the contract, must be especially protected as a corporate secret and may only be made accessible to third parties with our prior given written permission. After transaction of the contract all documentation including all copies and duplications must be returned to us without special request.

10. Trade mark rights of third parties

- 10.1 The supplier shall be liable for any claims which arise from contractual use of the Subject of Delivery originating from breach of trade mark rights and trade mark right registrations (in the following named Trade Mark Rights), as far as at least one of the violated Trade Mark Rights has been published either in the home state of the supplier, by the European Patent Office or in an EU member state including Switzerland.
- 10.2 The supplier shall release us and our customers from all claims arising from the use of such Trade Mark Rights.
- 10.3 This shall not apply if the supplier has produced the Subject of Delivery according to drawings, models or other comparable descriptions or specifications passed by us, not being able to recognize that developing these products would violate Trade Mark Rights.
- 10.4 The contracting partners shall engage themselves to inform each other immediately as soon as they notice any violation risks and possible infringements of industrial property right to counteract by agreement against any corresponding liability claims.

11. Guarantee

- 11.1 Concerning the Subject of Delivery, the supplier shall guarantee to use material that is suited best for the Subject of Delivery. He shall furthermore guarantee to work according to drawings and / or samples and type as well as for a suitable design. The supplier shall also guarantee that the Subject of Delivery has no faults effecting its value or its efficiency, that it corresponds to the conditions, specifications and any other assured properties set in the order as well as to appropriate legal and official regulations and that it shows no defects of title.
- 11.2 The guarantee must correspond to customary conditions and amounts, however, to at least 24 months, beginning with the delivery; for production of investment goods beginning with the acceptance. Evident faults can be claimed within 2 weeks after arrival of the product at the named dispatch address, latent defects within 2 weeks after their discovery.
- 11.3 Payment and acceptance shall not be regarded as an acknowledgement of a delivery free of defect.
- 11.4 Concerning the on-time notice of defects we shall be entitled to reduce the price appropriately; demand amendment; require subsequent improvement or substitutional delivery or substitutional partial performance; return the defective Subject of Delivery to the supplier at his expenses and demand the delivery of perfect substitute at his expenses; repair the defective Subject of Delivery ourselves or exchange against otherwise created substitute at the expense of the seller, provided that the supplier himself does not comply with our corresponding demand within an adequate period of time; demand substitute of all expenses originating while exchanging damaged parts. Preceding rights can be asserted individually or simultaneously, provided allowed by law.
- 11.5 The warranty period shall not carry on during a subsequent improvement. On delivery of a replacement a new warranty period shall begin. As long as after our timely notice of defects the seller has not finally rejected the notice of defects in writing, the limitation of guarantee claims shall be paused.

12. Force majeure

Force majeure, labor disputes, riots, official measures and other unpredictable, inevitable and serious events shall release the contracting partners from the performance duties for the duration of the disturbance and in the extent of its effect. This shall also apply should these events occur at a time at which the affected contracting partner is in default. The contracting partners shall engage to pass important information immediately within a reasonable scope and to adapt their liabilities to the new conditions in good faith.

13. Compensation

We shall be entitled to charge all claims, which we are entitled to against the supplier towards any claims that the supplier holds against us.

14. **Assignment**

Without our explicit approval the supplier shall not be entitled to resign or put single or all rights in pledge, in particular the supplier's payment claim. Our approval shall only be refused on presentation of an acknowledgeable interest.

15. **Final regulations**

15.1 Should single regulations of the preceding conditions or parts of these be ineffective, the effectiveness of the remaining regulations shall not be affected hereby. An ineffective regulation shall be replaced by such an effective regulation of the contracting parties that in its economic result comes closest to the ineffective regulation.

15.2 Place of fulfillment for all liabilities resulting from this contract shall be Wetzlar.

15.3 In case the supplier is a merchant or has moved his residence after contract conclusion or if his usual place of residence is unknown at the time of commencement of proceedings, it shall be agreed upon that for each of these cases the place of jurisdiction is Wetzlar.

Märzhäuser Wetzlar GmbH & Co. KG