

General Terms

Please take note of our general terms and conditions.

Attention: These terms and conditions are a translation only. All legal matters relating to them shall be governed and construed in accordance with the German version.

General Terms and Conditions of TEKA GmbH (LLC)

I. In General

1. All deliveries and services are subject to the following terms and conditions or possible separate stipulations.. Purchaser's differing terms and conditions of purchasing shall not become part of this contract even after acceptance of the order.

In the absence of separate agreements a contract shall be validated with the order confirmation of the Supplier.

2. The supplier retains all rights of ownership and copyright of samples, quotations, drawings and similar information of corporeal or incorporeal nature, including those supplied in digital form. This material may not be made available to third parties.

The Supplier guarantees not to make any information and documents identified by the Purchaser as confidential accessible to others, except with the Purchaser's consent.

II. Prices and Payment

1. In the absence of separate agreements prices shall be calculated ex works including shipping at works but excluding packaging and unloading. Prices shall be subject to VAT at the respective applicable legal rate.

2. In the absence of separate agreements payment shall be made on account of the Supplier without any deduction, in fact:

1/3 deposit after receipt of the order confirmation,

1/3 when the Purchaser has been informed that the main components are ready for shipment, the balance within a month after the passing of risk.

3. The purchaser shall not have the right to withhold payments or to charge up payments against counter-claims, unless his counter-claims are undisputed or legally valid.

III. Delivery Time, Delay in Delivery

1. The delivery time depends on the agreed arrangements of the parties to a contract. Compliance therewith on the part of the Supplier presupposes that all commercial and technical matters have been clarified by the contracting parties and that the Buyer has performed all its obligations, e.g. the provision of the necessary official licenses or approvals or remittance of a down-payment.. Otherwise, the delivery time shall be extended appropriately. This does not apply if the Supplier is responsible for the delay.

2. Adherence to the period of delivery shall be subject to correct and punctual supply to ourselves. The Supplier shall provide notification of any delays that become apparent as soon as possible..

3. The time of delivery is met when the delivery item has left the Supplier's premises by the end of the stipulated time or is notified as ready for dispatch. If acceptance is required, the acceptance date applies, except in the event that acceptance is justifiably refused, and in the alternative the notification of acceptance readiness.

4. If dispatch or acceptance of the delivery item is delayed for reasons for which the Purchaser is

responsible, the Purchaser shall be charged the costs caused by the delay, beginning one month after the report that the delivery item is ready to be dispatched or undergo acceptance.

5. If the failure to comply with the delivery deadline can be attributed to force majeure, labour disputes or other events or occurrences that are outside the sphere of influence of the Supplier, the delivery deadline shall be extended by a reasonable period.. The Supplier will notify the Purchaser as soon as possible of the beginning and end of any such events.

6. The Purchaser can withdraw from the contract without fixing of a period of time if the entire performance becomes impossible for the Supplier before the passing of risk. In addition, the Purchaser may withdraw from the contract if the delivery of any part of an order is not possible and he has a justified interest in rejecting a partial delivery. If this is not the case, the Purchaser has to pay the contractual price which is due for the partial delivery. This also applies in the event of the Supplier's inability. For the rest Section VII.2 applies. If the impossibility or inability occurs in default of acceptance or if the purchaser is solely or predominantly responsible for these circumstances, he shall remain liable for consideration.

7. If the Supplier defaults and if the Purchaser suffers a resulting damage, he shall be authorised to demand a compensation for delay. This compensation will be 0.5% per full week of delay, but in total not more than 5% of the value of the part of the delivery which cannot be used in time or as stipulated in the contract due to the delay.. If the Purchaser (taking into account the legal exceptions) sets the Supplier a reasonable deadline after the due date to perform the work, and if this deadline is not met, the Purchaser shall be entitled to withdraw from the contract in the scope of the legal possibilities. Further claims as a result of delayed delivery shall be determined exclusively as stipulated in item VII. 2 of this terms and conditions.

IV. Passing of Risk, Acceptance

1. The risk passes to the Purchaser as soon as the delivery item has left our plant, even if partial deliveries are made or if the Supplier has assumed responsibility for other services, such as shipping costs or delivery and installation. If there has to be an acceptance procedure it determines the passing of risk. The acceptance procedure must be performed exactly at the acceptance date respectively after the Supplier's notification of readiness of delivery. A non-significant defect does not entitle the Purchaser to refuse acceptance.

2. If dispatch or acceptance are delayed for reasons which the supplier is not responsible for, the risk passes to the Purchaser from the date of notification of readiness for dispatch or acceptance. The Supplier is obligated to contract all insurances requested by the Purchaser at the latter's expense.

3. Partial deliveries are acceptable if reasonable to the Purchaser.

V. Reservation of Title

1. All deliveries are subject to retention of title. The property in the delivered goods passes on to the Purchaser as soon as he has fulfilled all obligations towards the Supplier (all invoices plus additional claims such as shipping, default interest, etc.).

2. The Purchaser is entitled to work on, to use and to sell the delivered goods within standard business operations, in spite of the agreed reservation of title. A revocation of these rights may, however, be obtained if

- a) the Purchaser defaults on payment for the delivered items' counter value for more than 14 days
- b) an affidavit of means is opened against the Purchaser
- c) the Purchaser himself or one of his creditors initiates insolvency proceedings
- d) other relevant causes give reason to believe that the Purchaser will be illiquid before long.

The the granted permission to work on, use and sell the delivered goods is valid until revoked in writing. When receiving the revocation the Purchaser shall be obliged to separate all goods from the Supplier's deliveries, whether processed or worked on and store them put aside from other goods. In

case of delayed payment the Supplier shall be entitled to call in named goods for his own safety and store them at his place.

3. The Supplier shall retain the reservation of title regarding the delivered merchandise even in case

- a) the Purchaser shall have sold it
- b) the Purchaser shall have converted then sold it,
- c) the Purchaser shall have combined and/or connected it with something,
- d) the Purchaser shall have combined and/or connected it with something then sold it.

In these cases it is clarified that any possible processing, adaptation, commingling and/or connection of the goods still under the Supplier's ownership is done for his benefit and in his name without obliging him to any kind of remuneration whatsoever. In case the Purchaser does connect or combine the Supplier's reserved goods to or with other goods (Art. 947, 948 BGB - German Civil Code), the Supplier is entitled to a share of the jointly owned property respectively the commingling / combination. The shares are determined by the relationship of the value that the goods have at the time of combination.. Should the Supplier's goods are to be seen as the essential part, he acquires sole ownership. In case of processing or transformation (Art. 950 BGB – German Civil Code) the Supplier is entitled to joint ownership of the new product at the ratio of his product's value to the new product's value.

4. If the Purchaser disposes of delivered goods the Supplier still holds (co-) proprietary rights of the following applies:

- a) The Purchaser hereby assigns in advance the part of his claims arising from the resale of the reserved goods to the Supplier that is equal to the value of the delivered reserved goods, whether unprocessed, processed, converted, mixed, combined, modified or not. The value of the reserved goods is determined by the merchandise value invoiced by the Supplier (including VAT).
- b) If there are additional assignments in advance in favour of other suppliers regarding the Purchaser's claim from a resale, each assignment in advance shall be treated equally.
- c) The Purchaser is obligated to notify the Supplier at once if there exists an agreement in a resale contract stating that an assignation of the Purchaser's claims from the resale is prohibited. In this event the Purchaser may not assume that the Supplier agrees with the resale of his (ownership / co-ownership) goods. The Purchaser undertakes to refrain from a transaction on such terms.
- d) Under the conditions of the delay of payment the Purchaser is obliged to provide the Supplier with all necessary information on the resale business to assert the latter's rights of the assignment in advance. The Purchaser is not entitled to pledge or assign goods as security that are subject to the agreed reservation of title / extended reservation of title in favour of the Supplier. The Purchaser undertakes to notify the Supplier at once of all enforcement measures concerning the latter's goods subject to reservation of title (ownership or co-ownership).

5. Should the value of the securities provided to the Supplier exceed his overall claim by more than 10%, he is obliged to retransfer the excessive securities on the Purchaser's demand.

VI. Claims

Defects of title and claims based on defects of the delivered items are subject to regulations as provided in Section VII Guarantee (excluding further claims), as follows:

VII – Guarantee, as follows:

Claims based on defects

1. All the parts that turn out to be defective due to circumstances arising before the passing of risk are to be repaired or replaced at the Supplier's discretion free of charge. The Supplier is to be notified in writing of all such defects as soon as they are identified. Replaced parts become the property of the supplier.
2. The Purchaser grants the Supplier the time and opportunity required to carry out all necessary

remedies and substitute deliveries in agreement with the Supplier; otherwise the Supplier shall be exempt from liability for any and all consequences arising therefrom. In urgent cases only, such as endangered operating safety, prevention of disproportionate damages, etc. (in which case the Purchaser shall notify the Supplier immediately), or if the seller is in default with regard to the correction of the defect, is the Purchaser entitled to remedy defects himself or have them remedied by third parties and to claim compensation of the Supplier.

3. Of all direct costs resulting from the repair or replacement the supplier shall bear the costs of the substitute part including shipment, provided the complaint is legitimate. In addition, he shall bear the costs for dismantling and installation as well as the costs for any necessary provision of mechanics and assistants, including travelling expenses, insofar as this does not entail an unreasonable burden on the Supplier

4. Within the legal regulations the Purchaser has the right to withdraw from the contract if the Supplier, taking all lawful exceptions into consideration, allows a deadline set for the remedy of a defect or a replacement delivery due to a defect to expire inconclusively. Should the defect be insignificant, the customer is entitled only to abate the contract price. The right to abate the contract price shall be excluded in all other respects.

Further claims are determined in section VII.2 of these terms and conditions.

5. We do not assume liability in the following cases in particular:

Unsuitable or inappropriate use, incorrect fitting/ commissioning on the part of the Purchaser or a third party, normal wear and tear, incorrect or negligent treatment, improper maintenance, unsuitable machinery materials, faulty construction work, an unsuitable building ground, chemical, electrochemical or electrical influences – unless the Supplier is answerable for them.

6. If the Purchaser or a third party remedies a defect incorrectly the Supplier is not liable for the ensuing consequences. He is not liable, too, if there have been made any modifications to the delivery item without his prior consent.

Defects of Title

7. If the use of the delivery item leads to an infringement of domestic intellectual property rights the Supplier will as a matter of principle procure the Purchaser's right to further use the delivery item, or modify it in a way that there no longer is an infringement of intellectual property rights, as far as these modifications can be reasonably imposed on the Purchaser. If this is not possible within a reasonable period of time or under reasonable economical conditions the Purchaser is entitled to rescind the contract. Said conditions entitle the Supplier, too, to rescind the contract. Furthermore the Supplier will indemnify the Purchaser from undisputed or legally enforceable claims asserted by the holders of the respective intellectual property rights.

8. Notwithstanding Section VII. 2, the Supplier's obligations in case of an infringement of intellectual property rights are limited to those stated in Section VII. 7. The obligations only arise

- if the Purchaser notifies the Supplier as soon as any claims for breach of intellectual property rights are asserted,
- the Purchaser supports the Supplier to a reasonable extent in defending the claims and/or enables the modification of the delivery item in accordance with Section VII. 7,
- the Supplier has reserved the right to all defending measures, including any out-of-court settlements,
- the defect of title is not due to an instruction given by the Purchaser and
- the infringement is due to the Purchaser's changing of the delivery item on his own authority or using it in another way as has been specified in the contract.

VII. Liability

1. If the Purchaser cannot use the delivery item as set out in the contract due to the Supplier's default as a result of neglected or defective performance of proposals and consultancy prior to and following the

conclusion of contract or as a result of violating other accessory obligations of the contract (particularly operating and maintenance instructions of the supplied object) the respective provisions of Sections VII and VIII.2 shall apply excluding any further claims of the Purchaser.

2. For other defects than those concerning the delivery item the Supplier is not liable for any legal reason whatsoever, except for

- a) intent,
- b) gross negligence on the part of the owner / board members or senior managers,
- c) culpable injury to life, body or health,
- d) defects which he fraudulently concealed or for whose absence he warranted,
- e) defects of the delivery item to the extent that liability exists pursuant to the German Product Liability Act for damages to persons or personal property.

In cases of culpable breach of primary contractual duties the Supplier is also liable for gross negligence of other staff and for simple negligence; the latter is limited to direct losses foreseeable and typical for this type of contract. All other claims are excluded.

VIII. Limitation Period

All claims of the Purchaser for whatever legal reasons are subject to a limitation period of 12 months. The relevant statutory periods apply for compensation claims referred to in Sections VII.2 a-e. They shall also apply for defects in a building construction or for deliverables having caused such defects provided those deliverables are typically used within a building construction.

IX. Use of Software

If any software is included in the scope of delivery, the Purchaser is granted a non-exclusive right to use this piece of software including the related documentation.. It is provided to be used with the appropriate delivery item and may not be used on more than one system. The Purchaser is only allowed to copy, revise or compile the piece of software, or to convert it from object code to source code to the extent permitted by law (§§ 69 a ff. UrhG - German Copyright Act). The Purchaser undertakes not to remove or alter any manufacturer's details, particularly copyright statements, without the prior explicit Supplier's approval.

All other rights to the software and its documentation including copies thereof shall remain with the Supplier or the software supplier. The assignment of sub-licenses shall not be permissible.

X. Applicable Law, Court of Jurisdiction

1. All legal relationships between the Supplier and the Purchaser are exclusively subject to the law of the Federal Republic of Germany applicable to the mutual legal relationships between domestic parties.
2. The responsible court of the Supplier's domicile shall have jurisdiction. However, the Supplier shall be authorized to take action at the Purchaser's principal residence.

General Terms and Conditions of Purchasing of TEKA LLC

I. In General

1.1.

Our conditions for purchasing are exclusive; we do not acknowledge terms of the supplier that conflict with, or deviate from, our conditions for purchasing unless we have expressly agreed to their validity in writing. Our conditions for purchasing maintain their validity even when we unconditionally accept deliveries of products or services of the supplier (hereinafter referred to as subject matter of the contract) or pay for them knowing that terms of the supplier conflict with, or deviate from, our

conditions for purchasing.

1.2

Our conditions for purchasing also apply to future transactions with the supplier.

II. Conclusion and Alterations to the Contract

2.1

Orders, contracts and order releases as well as all changes and amendments of them must be made in writing. Purchase orders, acquisitions and supply requests can also be effected by remote data transmission or telefax. Section 2.1. sentence 2 remains unaffected.

2.2

Any oral agreements made before or upon the conclusion of the contract are subject to written confirmation of the purchasing department to become effective. Item 2.1, sentence 2 remains unaffected.

2.3

Any oral agreements made after the conclusion of the contract, in particular subsequent alterations of and additions to our Terms and Conditions of Purchase - including this written-form clause - as well as collateral agreements of any kind, are also subject to written confirmation of the purchasing department to become effective.

2.4

Estimates of costs shall be binding and not to be paid for, unless expressly otherwise agreed.

2.5

If the supplier does not accept an order within a period of two weeks from its receipt, we shall be entitled to cancel it. Calls for delivery shall become effective if the supplier does not object to them within a period of five working days from their receipt.

III. Delivery

3.1

Any deviations from our contracts and orders shall only be permissible subject to our prior written approval.

3.2

Agreed dates and periods shall be binding. The date of receipt of the goods at our plant shall be decisive with regard to the observance of the date or period of delivery. In case delivery "free works" (DDU or DDP according to Incoterms 2000/02) is not agreed, the supplier must make the goods available in good time, taking into account the required loading and transport time to be co-ordinated with the forwarding agent.

3.3

In case of a failure to observe any agreed dates, the respective legal regulations shall be applicable. If the supplier can foresee any problems with regard to the production, provision of input material, observance of the delivery date or similar conditions that might prevent him from making the delivery in due time or in the agreed quality, the supplier must immediately notify our department that placed the order.

3.4

The unconditional acceptance of a delayed delivery or service shall not constitute a waiver of any claims for compensations we are entitled to due to the delay in delivery or service; this shall be valid until full payment of the remuneration for the respective delivery or service due from us.

3.5

Partial deliveries are generally inadmissible, unless we have expressly agreed to them or we can be reasonably expected to accept them.

3.6

With regard to numbers of pieces, weights and dimensions, the values determined by us in the incoming goods inspection shall be decisive, unless other proof is available.

3.7

The scope of delivery of metal sheet supplies include inspection certificates, if required, which have to be available at our place by the time the supplies are delivered at the latest.

3.8

If the supplier does not submit at all or not in a proper form any test certificates (e.g. according to EN 10204) or attestations of conformity and CE markings required in the order, we reserve the right to set the payment date at the goods' arrival.

IV. Force Majeure

Force majeure, labour disputes, non-culpable operational breakdowns, unrest, measures taken by authorities and other inevitable events shall entitle us - without prejudice to our other rights -to withdraw completely or in part from the contract, as far as they are of a not inconsiderable duration and lead to a considerable reduction of our needs.

V. Shipping Advice and Invoice

The data indicated in our orders and calls for delivery shall be applicable. The invoice shall be made out in duplicate indicating the invoice number and other assignment characteristics (reference number, accounts number, cost unit number) and shall be sent to the respective address printed on it. It must not be included in the consignments.

VI. Pricing and Passing of Risk

6.1

Unless otherwise agreed, the prices are understood free works customs cleared (DDP according to Incoterms 2000) including packaging, VAT not included.

6.2

The supplier shall bear the material risk until acceptance by us or our agent at the place that the goods are to be delivered to according to the contract.

VII. Terms of Payment

7.1.

Unless otherwise agreed, invoices shall be settled either within 21 days with deduction of a discount of 3% or within 60 days without deduction from the due date of the remuneration account and the receipt of both the invoice and the goods or the rendering of the service. Payment shall be made subject to invoice checking.

7.2.

Should we in accordance with the legal regulations be held liable for damages by the supplier, we shall be entitled to provide proof that the supplier's actual damage is lower than specified in art. 288 sec. 1 respectively sec. 2 BGB (German code of civil law).

VIII. Claims Based on Defects and Recourse

8.1

Acceptance shall be made subject to an inspection as to faultlessness, in particular also as to correctness, completeness and suitability. We shall be entitled to examine the object of the contract as far and as soon as that is expedient in the regular course of business; any defects found will be notified by us immediately after their detection. In case of hidden defects, the supplier moreover waives the plea of late notification of defect.

8.2

Unless otherwise provided, there shall be applicable the legal regulations on material defects and defects of title.

8.3

We are generally entitled to choose the kind of subsequent performance. The Supplier is entitled to refuse the type of subsequent fulfilment chosen by us under the conditions of art. 439 sec. 2 BGB [German Civil Code].

8.4

If the supplier should fail to provide the subsequent performance, we shall be absolved from any further obligation to inspect and notify of defects. We shall be entitled to remove such defects ourselves or have them removed by a third party at the supplier's expense.

8.5

Claims based on material defects shall become statute-barred after 2 years, unless the item was used, in accordance with its customary use, for a building and has caused its defectiveness. The limitation period for claims based on material defects begins upon delivery of the object of the contract (passing of risk).

8.6

In case of defects of title, the supplier shall moreover indemnify us against any possible claims of a third party. Defects of title are subject to a limitation period of 10 years.

8.7 For any parts of the delivery restored or repaired within the limitation period of our claims based on defects, the limitation period shall start anew at the point of time when the supplier has completely satisfied our claim for subsequent performance.

8.8

In case we incur any costs as a consequence of the defective delivery of the object of contract, in particular costs of transport, travelling, work, materials or costs of an incoming goods inspection exceeding the normal scope, such costs shall be borne by the supplier.

Should we within the meaning of liability for defects withdraw from the contract the supplier is obliged to reimburse all costs arising in connection with the setting-up of this contract.

8.9

In case we take back any products manufactured and/or sold by us as a consequence of the defectiveness of the object of contract delivered by the supplier or if, due to that reason, our sales price was reduced or any other claims were asserted against us, we reserve to have recourse against the supplier. In the cases provided by law, our rights based on defects are not subject to fixing a period.

8.10

We are entitled to demand from the supplier compensation for the expenses we incurred with regard to our customer if the latter asserted against us claims for reimbursement of the expenses required for the purpose of subsequent performance, in particular costs of transport, travelling, work, materials.

8.11

Notwithstanding the provisions under item 8.5, the cases under items 8.8 and 8.9 shall become statute-barred not earlier than 2 month from the moment we have satisfied the claims asserted against us by our customers and not later than 5 years from the date of delivery by the supplier.

8.12

If a material defect is detected within a period of 6 months from the passing of risk, it shall be assumed that the defect already existed at the time of passing the risk, unless such assumption is incompatible with the nature of the item or of the defect.

IX. Product Liability and Recall

9.1

In case we are held liable to recourse on the basis of product liability, the supplier shall be obliged to

indemnify us against any such claims if and as far as the damage was caused by a defect in the object of contract delivered by the supplier. In cases of no-fault liability (strict liability), however, this shall only be applicable if any fault is attributable to the supplier. As far as the cause of damage lies in the supplier's sphere of responsibility, the supplier shall bear the burden of proof in this connection.

9.2 In these cases, the supplier shall assume all costs and expenses, including the costs of prosecution, if any, and the costs of a recall action. As for the rest, the legal provisions shall be applicable. Warranty is granted for 24 months from the date the equipment has been taken into operation / use.

X. Documents and Secrecy

10.1

All business or technical information (including any features that can be gathered from any items, documents or software that is handed over and other knowledge or experience) must, as long as it is not provably known to the public, be kept secret from all third parties and shall only be made accessible to those persons in the own firm of the supplier who necessarily need to use them for the purpose of the delivery to be made to us and who have also been obliged to observe secrecy; they remain our exclusive property. Except for the purpose of deliveries to be made to us, such information must not be copied or commercially used without our prior written consent. At our request, all information coming from us (including all copies or notes made, if applicable) and all items lent must be immediately and completely returned to us or destroyed. We reserve all rights in such information (including copyrights and the right to apply for industrial property rights, such as patents, utility models, semiconductor protection, etc.). In case these pieces of information are provided to us by third parties, the reservation of rights also applies for the benefit of such third parties.

10.2

Products manufactured on the basis of documentation drafted by us such as drawings, models and the like, or based on our confidential information, or manufactured with our tools or with tools modelled on our tools, may neither be used by the supplier itself nor offered or supplied to third parties. The same applies analogously to our print orders.

XI. Place of Performance

The place of performance shall be the place where the goods are to be delivered to according to the contract.

XII. General Provisions

12.1

If any of the provisions of these Terms and Conditions and of any further agreements made should be or become invalid, this shall not affect the validity of the other provisions. The contracting parties are obliged to replace the invalid provision by a regulation that comes as close as possible to its economic purpose.

12.2 Court of Jurisdiction

The place of jurisdiction for all disputes resulting directly or indirectly from the contractual relationships based on these Terms and Conditions of Purchase shall be the place of performance. Moreover, we are entitled, at our option, to sue the supplier before the competent court at its seat or before the competent court at the place of performance.

12.3

The contractual relations are exclusively subject to German law, excluding the conflict of law provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).