

**General Terms of Sale
of Karl Küfner GmbH & Co. KG
Siebe und Webeblätter
72461 Albstadt, Germany
Rossentalstrasse 87-89**

I. General Provisions

1. All deliveries and services of Karl Küfner GmbH & Co. KG shall be made solely on the basis of these General Terms of Sale. Any regulations, especially terms and conditions of the contracting party which differ from these General Terms of Sale, shall only apply if they have expressly been confirmed in writing by Küfner before the conclusion of the agreement. This shall also apply if Küfner has, in individual cases, not specifically refuted terms and conditions of the contracting party. These General Terms of Sale shall apply to the current transaction as well as to all future business transactions.
2. The mutual written statements are decisive for the scope of the deliveries and services.
3. Without any limitations, Küfner reserves the property and copyright utilisation rights to quotations, drawings and other documents (hereinafter referred to as Documents). The Documents may only be made accessible to third parties following prior agreement by Küfner and must be returned immediately on request if the order has not been placed. Sentences 1 and 2 shall apply accordingly to the customer's Documents: said Documents may only be made accessible to third parties which Küfner has subcontracted on a project basis.

II. Prices and Terms of Payment

1. Unless otherwise agreed, the prices are ex works plus the respective statutory value added tax.
2. Any modifications to the elements on which the prices are based (especially raw materials, wages and value added tax) which arise in a period of more than four months between the conclusion of the agreement and the delivery date stipulated in the agreement, shall entitle Küfner to adjust the price accordingly. If the adjustment of the remuneration results in an increase of the remuneration of more than 6%, the customer is entitled, within 14 days from receipt of the corresponding notification, to withdraw from the agreement in writing.
3. Unless otherwise agreed, the minimum order amount shall be EUR 500. Deliveries above or below 10% of the order quantity are permissible.

4. Payments must be made within 14 days with 3% discount or 30 days after delivery without discount. If circumstances become known which could lead to a deterioration of the creditworthiness of the customer, Küfner is entitled to withhold outstanding deliveries, until the payments due have been settled, and in future only make further deliveries against payment in advance or the provision of sufficient security.

5. The customer is only entitled to offsetting, if its counterclaims have been deemed as uncontested or res judicata. The customer is only entitled to assert rights of retention on the basis of counterclaims from the same contractual relationship.

III. Deadlines for Deliveries; Default

1. Upholding the delivery deadlines assumes the customer upholds the punctual submission of all Documents, necessary authorisations and approvals, especially of plans, as well as compliance with the agreed terms of payment and other obligations. If these preconditions are not fulfilled punctually, the deadlines shall be appropriately extended. This shall not apply if the customer is not responsible for the delay.

2. If the non-compliance of the deadlines is due to Force Majeure, e.g. mobilisation, war, unrest or similar events e.g. strike or lock out, these deadlines shall be extended accordingly.

3. If Karl Küfner GmbH & Co. KG is in default, the customer can - if it can credibly prove that it has suffered a loss as a consequence – demand damages of 0.5% for each completed week of default, in total however a maximum of 5% of the price for the part of the delivery which due to the default could not be operated as intended. The parties to the agreement shall be free to prove higher or lower damages due to default.

4. The customer undertakes to inform Küfner on request within an appropriate deadline if it is intending to withdraw from the agreement due to the delay of the delivery or shall insist on delivery.

IV. Reservation of Ownership

1. Küfner reserves the right to ownership of all items delivered (reserved goods) until payment in full. All deliveries shall be considered one single transaction. In the case of a current account, the reserved goods shall count as security for any balance in favour of Küfner. Pledging the reserved goods or seizing said goods as security shall not be permissible.

2. If the goods are processed by the customer, combined with other objects to form a single item or if they are redesigned, the processing, redesigning and combining shall be made on behalf of Küfner. The

customer already now transfers co-ownership to Küfner in so far as it is the proprietor of the main item. If the customer resells the goods delivered as intended it hereby already now assigns to Küfner its debt claims from its buyer with all secondary rights resulting from the sale, until all payments due to Küfner have been fully met. In justified cases (e.g. payment default), the customer undertakes at the request of Küfner to disclose the assignment to third party buyers and to give Küfner all the information and Documents it requires to assert its rights. Küfner shall release the securities it retains if their value exceeds the accounts receivable to be secured by more than 20%.

3. The customer must inform Küfner without delay of any assignments, confiscations or other orders or interventions by third parties.

4. If the customer breaches its obligations, especially in the event of payment default, Küfner is entitled, after an appropriate deadline set has expired in vain, to withdraw from the agreement and to repossess; the statutory provisions regarding the dispensability of setting a deadline shall remain unaffected. The customer is obliged to relinquish the goods.

V. Defects of Quality

1. The customer must report defects of quality to Karl Küfner GmbH & Co. KG in writing without delay. If the customer fails to report this, the goods shall be deemed approved; unless it is a defect which was not evident on inspection. If such a defect becomes apparent later, notification must be made without delay after its discovery, otherwise the goods shall be deemed approved, also with regard to this defect. In order to uphold the rights of the customer, it is sufficient to dispatch the notification in due time. The burden of proof for establishing the fault lies with the customer.

2. A defect of quality shall exist if, on the passage of risk, the delivery does not have the characteristics agreed or is unsuitable for the contractually agreed purpose.

3. Defects in quality shall not exist in the event of a slight deviation from the agreed characteristics, if the usability is only slightly compromised, in the event of natural wear and tear or damage which results after the passage of risk due to faulty or negligent handling, excessive use, unsuitable resources or due to special external influences, which are not planned under the agreement. If improper changes or repair work has been carried out by the customer or third parties, no claims for defects shall exist for such changes or repair work and the resulting consequences unless the customer can prove that the fault does not originate from the intervention.

4. The claims for defects shall expire within 1 year starting from the delivery of the goods.

5. In the event of defects arising, Küfner must be granted the opportunity to remedy the fault through subsequent performance within an appropriate deadline. If the customer chooses subsequent improvement, Küfner shall have the right to determine the method and type of remedy by due assessment of circumstances. The delivery of a fault-free item shall only take place concurrently in return for the faulty goods. The customer's claims due to the necessary expenses in connection with the subsequent performance, especially transport, infrastructure, work or material costs, shall be excluded if the costs increase because the object of the deliveries has been subsequently transported to a location other than the seat of the customer; unless this relocation is in keeping with the intended use. The customer may only assert claims for subsequent performance if a part of the agreed remuneration appropriate in the ratio to the scope and gravity of the fault of the goods for the goods has already been paid.

6. If the subsequent performance is unsuccessful, the customer can withdraw from the agreement or reduce the price to be paid – notwithstanding any claims for damages pursuant to figure IV (Other Claims for Damages).

7. Any rights to recourse action by the customer against Karl Küfner GmbH & Co. KG in accordance with section 478 German Civil Code shall only exist in so far as the customer has not made any agreement with its buyers exceeding the statutory claims for defects. Additionally, number 5 shall accordingly apply to the scope of the recourse action of the customer against Küfner in accordance with section 478 paragraph 2 German Civil Code.

VI. Other Claims for Damages

1. Küfner shall be liable for damages only in the case of intent or gross negligence. For ordinary negligence, Karl Küfner GmbH & Co. KG shall only be liable in the event that it has breached a duty, on the fulfilment of which the due execution of the agreement primarily depends and where the contractual partner is justified in trusting it will be fulfilled. In all other cases, liability for damages irrespective of what type or the basis of the claims, including liability in tort on concluding the agreement, shall be excluded.

2. If Küfner is liable for simple negligence, the liability shall be limited to the damage which the supplier typically could have expected in line with the circumstances known on conclusion of the agreement.

3. The liability exclusions and limitations above shall not apply if Küfner has issued a warranty, nor if the damage is related to injury to life, body and health or claims exist in accordance with the product liability law.

4. The liability exclusions and limitations above shall also apply to the benefit of employees, vicarious agents and other third parties contracted by Küfner to fulfil the agreement.

VII. Jurisdiction and Applicable Law

1. If the customer is an entrepreneur, the sole place of jurisdiction for any disputes arising directly or indirectly from the agreement shall be the registered office of Karl Küfner GmbH & Co. KG. Küfner shall however also be entitled to file suit at the registered office of the customer

2. German law shall apply to the legal relationships in connection with this agreement under exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

VIII. Validity of the Agreement

If individual provisions of the agreement are legally ineffective the remainder of the agreement shall be remain binding.