

## General Terms and Conditions valid from July 1st, 2010

### 1. General

- (1) The following Terms and Conditions of Messrs. Wolfgang Rausch GmbH & Co. KG (in the following referred to as the "supplier") are valid for all contracts, supplies of goods as well as the delivery and the service of products from the supplier are accordance to the following Terms of Sales and Delivery Conditions in as far as the customer is a merchant and an incorporated company according the public law or is a separate public identity referred to in § 310 Abs. 1 BGB.
- (2) Differing conditions or a contradiction to our General Terms of Sales and Conditions will not be taken into account unless accepted by us in writing. Our General Terms of Sales and Conditions are on view in our company and can, upon request, be sent to the customer free of charge.

### 2. Conclusion of Contract

Quotations made on behalf of the supplier remain subject to change. The signed contract does come into effect until the order has been received in writing. The customer is bound to his order for six weeks. The supplier's order confirmation is decisive for the shipment.

### 3. Delivery

- (1) All delivery periods for shipments and service are without obligation, unless otherwise expressly stated in writing. The delivery period starts after all technical details have been clarified. The fulfillment of our obligation is based on the customers correct and duly fulfilled obligations.
- (2) Should the supplier be unable to deliver, through force majeure, official directives or collective action within his premise which could not be prevented by diligence and which are not part of his responsibilities, the supplier will be freed from the delivery for the duration of the obstruction.
- (3) Place of fulfillment for delivery and maintenance are the supplier's premises unless otherwise given in the order confirmation.
- (4) The risk of accidental perishing or worsening of delivered or repaired goods is transferred to the customer upon collection. Goods being sent upon customer's request respectively transfer their risk of accidental perishing or worsening when leaving the suppliers premises/stocks. This applies, independently if the shipment is effected from the place of fulfillment or who bearing freight.
- (5) Should the customer fail to collect the delivered or repaired goods, violate or culpably his corporal duties, the risk of accidental perishing or accidental worsening is transferred to the customer. Should the customer formally declare his non-acceptance, the supplier has the right to withdraw from the contract or to ask for compensation if contract agreements are not fulfilled. If contract agreements are not fulfilled, the supplier can ask for compensation amounting to five percent of the contract value, should the customer fail to prove that no damage has been caused or only amounting to much less than the flat rate of five per cent a claim for an additional compensation remains possible.
- (6) Should the customer fail to collect the goods or even violate culpably his corporal duties, the supplier is entitled to claim for compensation of the damage, even for possible additional expenses. A claim for an additional compensation remains possible.

### 4. Prices/Payment

- (1) All prices are in EURO plus the current rate of V.A.T. No cash discounts or other rebates are accepted.
- (2) If not otherwise agreed, invoices have to be paid within ten days after receipt of invoice. Invoices for service works have to be paid upon receipt of the repaired goods.
- (3) Should the customer fail to pay the amount due on time, the supplier is entitled to charge interest, amounting to eight per cent above the respective basic bank rate to the customer without further notice. Should the customer fail to pay the amount due, all outstanding amounts, even if deferred payment had been agreed, are due.
- (4) There is no right of retention of goods for the customer, only in case of undisputed or legally binding claims. Being based on the same contract, the customer is entitled to relent payment.
- (5) Should the supplier get to know even after establishing the order confirmation that the customers financial situation has considerably worsened and that he might run the risk of lack of fulfillment of the customer, the supplier is entitled to ask for a deposit, failing this within a ten day period, the supplier can withdraw from the contract.
- (6) Payment orders, cheques and drafts are only accepted on account of performance.

### 5. Retention of Title

- (1) The supplied goods remain in the possession of the supplier until the agreed price has been paid in full. The customer is not allowed to sell the goods as long as they remain in the possession of the supplier. The customer has the obligation to take care of the goods free of charge as a prudent businessman.
- (2) Although the supplier might claim for his rights for retention of title, the customer still remains in duty to fulfill the obligations of the contract.
- (3) All outstanding demands and rights arising out of a machinery leasing to a third party are to be deferred to the supplier where the goods have not been fully paid for and the supplier is the owner of the goods. The supplier accepts the subordination.

### 6. Exemption of Cessions

- (1) The cession of areas of any kind against the supplier will be needed in written consent of the supplier. Without this compulsory written consent every cession is invalid. The suppliers consent for an intended cession will only be refused if the suppliers interest in maintaining the claim as a higher rate of importance than that of the contractual partner.

### 7. Contractual lien

- (1) The supplier is entitled to retention of the goods being at his premises to cover areas from this maintenance order. He is also entitled to retain the goods to cover outstanding amounts of former service invoice.
- (2) Exchange parts once in the possession of the supplier are considered to be those of the supplier and free access should be granted to them.

### 8. Warranty

- (1) The entitlement to claim warranty, the customer is required to inspect and check the goods delivered in accordance to §§377,378 HGB. All obvious damages are to be given in writing immediately. All damages which could not be identified even after careful checking, have to be claimed in writing immediately after being found. Same conditions are valid also for service works. Should these claims not be given in due time and form, no warranty can be granted.
- (2) Should the delivered goods have any defects existing on the time of delivery, the suppliers warranty covers amendments and replacements up on his choice under the condition that the customer has claimed in due time and form. Should the replacement or the amendment fail, the customer is entitled to ask for a price reduction or cancellation of the contract.
- (3) No further warranty areas can be claimed by the customer. This is not valid for lack of contractual performances assured by the supplier. This is not valid if the cause of damage is deliberate or the intention is gross fault.
- (4) Warranty is extended for 12 months.
- (5) Warranty can not be claimed by companies for used goods which were sold to them.

### 9. Liability

- (1) The supplier is only liable for damages caused by deliberate intention or gross fault of his company or his executive staff. In case of contract violation the extent of the damage to be covered is limited to the typical foreseeable damage. The legal procedures for burden of proof remain unaffected. The limitation of liability is not being valid if life, health and body are damaged.
- (2) The restriction in liability acc. To (1) is not valid for claims that confer to the product liability act or might not be excluded by act of law.
- (3) Should the liability of the supplier being excluded or restricted, this applies also to the personal liability of all staff, employees, legal representatives or servants.

### 10. Place of Fulfillment of Contract and Legal Domicile

- (1) Place of fulfillment with regard to payments is the domicile of the supplier.
- (2) Legal domicile for all disputes between the contractual parties is Kempten/Allg.
- (3) The Law of the Federal Republic of Germany is binding for all legal relations between supplier and customer. The application of the UN agreement dd April 11, 1980 about purchasing contracts (CISG) is barred.

### 11. Final Clause

Should the one or other of the a.m. conditions not be applicable, indifferent of which reason, the validity of all other given conditions is not affected.