

General conditions of sale and delivery of company LOETRONIC

January 2006

1. In general

The following conditions, which form an essential part of our purchase contract, apply to all our quotations and deliveries. For us diverging or additional agreements, in particular conditions of purchase of the buyer are only binding, if they are confirmed by us in writing. Our silence is not considered to be an approval. Also by implied acceptance of our general conditions of sale and delivery the buyer rather admits our conditions as binding by waiver of his own.

2. Deliveries

Our deliveries take place ex works. The right for alterations owing to technical further developments is reserved.

3. Prices

The prices are, in so far as no other currency is agreed upon, in Euro (€).

4. Delivery periods

Indications regarding delivery periods are subject to change without notice until order acceptance by us. In case binding delivery periods are not observed through our fault, the buyer is obliged, to grant us an additional time of reasonable length. If within this additional time no delivery is taking place, the buyer may withdraw from the contract any further claims excluded.

5. Terms of payment

Our accounts receivable become due for payment after invoicing without deduction, if nothing to the contrary has been agreed upon. Payments are considered to be effected only at the day, at which the seller can dispose of the invoice amount without suffering any losses. The assertion of any rights of retention is excluded, also excluded is the set-off of counter claims of the buyer, unless it takes place in accordance with rights recognized by us or legally ascertained.

Default in payment starts with the expiry of the period for payment, without requiring a reminder.

In case of default in payment, interest on payment in arrears at the amount of 1% per begin of each month must be paid before claiming to have suffered further damage. We are entitled to depend further deliveries on the timely receipt of payments.

If after conclusion of the contract we get to know about circumstances degrading the creditworthiness of the buyer, we are entitled, to withdraw from the contract and to demand immediate payment or handing over of the goods. If the goods taken back were already used by the buyer and consequently decreased in value, we are entitled, to invoice an adequate amount for depreciation.

6. Warranty

Claims for deficiency become statute-barred within 12 months. The limitation period for claims for deficiency starts with the initiation of the corporeal thing, in any case, however, at the latest 6 months after handing over of the corporeal thing (passing of risk) or after information about the readiness for shipment in our works. The buyer is convenanted to check the product within 14 days after delivery and to report any faults to us.

In case of a material defect within the limitation period, the cause of which already existed at the time of passing of the risk, we are allowed to correct the fault by subsequent performance at our choice or deliver a faultless corporeal thing.

The non-conforming part must be send to us for repair/expert

valuation. The costs of the cheapest shipment there and back from/to the delivery address of the purchaser at home and in European foreign countries agreed upon for the original delivery of the product are at our account, in so far as the claim turns out to be justified. The correction of faults takes place by exchanging or repairing the faulty parts.

The warranty obligation terminates, in case the product is not operated in accordance with the maintenance and operating conditions or if the product (hardware or firmware) is changed in any way. In particular we are not liable for modifications of the condition or the operating mode of our products through improper storage or unsuitable operating means as well as climatic or other effects. For parts provided by the purchaser we do not give any warranty.

For the execution of warranty work the purchaser must give us the necessary time and opportunity. He is allowed to execute such work by himself with our consent only. The expenses necessary for subsequent performance are carried by us to an extent that must be in an adequate ratio to the value of the corporeal thing in faultless condition, to the meaning of the fault and/or to the possibility, to achieve additional performance in some other way; costs exceeding that are carried by the purchaser.

The statute of limitation is suspended for the period necessary for the execution of subsequent performance. It does not start again.

If the subsequent performance fails, the purchaser may withdraw from the contract or reduce the remuneration.

In case a notice of defects turns out to be unjustified, we are entitled, to invoice to the purchaser all expenses that we are caused through it.

7. Liability for damages

We are liable for damages of the buyer, only in so far as we or any persons employed by us in performing an obligation can be accused of intention or gross negligence; any further liability is excluded. This applies to all claims for damages, no matter for which legal justification.

8. Reservation of ownership

All goods delivered by us remain our property until the full payment of the purchase price including all incidental expenses. Apart from that the legal provisions of the HGB (German Commercial Code) and the BGB (German Civil Code) are applicable.

9. Place of performance and jurisdiction

Place of performance and jurisdiction for both parties is Aachen.

10. Separability Clause

The invalidity of one or more of these sales and delivery conditions does not affect the effectiveness of the other conditions. A partly ineffective condition is replaced by the relevant legal regulation.