

GENERAL TERMS AND CONDITIONS OF SALE OF MRS ELECTRONIC GMBH & CO. KG

§ 1 Scope of Application

- (1) These terms and conditions of sale shall apply exclusively. We do not recognise deviating or conflicting conditions insofar as we have not expressly agreed to them in writing.
- (2) These terms and conditions of sale also apply to all future transactions between the parties even if we deliver the goods in knowledge of deviating or conflicting conditions.
- (3) These general terms and conditions of sale apply only to companies, legal persons under public law, or special assets under public law within the scope of § 310 Para. 1 BGB (German Legal Code).

§ 2 Offer and Acceptance

- (1) Our offers are subject to alteration. Contracts shall become only binding through our written confirmation.
- (2) Technical data, illustrations, drawings, details of weight and dimensions shall only be binding if this has been confirmed in writing. We reserve the right to make modifications to designs.
- (3) Statements made in our brochures and instruction manuals do not constitute warranted characteristics.
- (4) The drawings, technical specifications and other documents attached to the offer are subject to our ownership and copyright; the customer is not entitled to provide third parties access to the aforesaid documents.

§ 3 Prices, Payment and General Compensation

- (1) Our prices are ex works, not including legal value-added tax and the costs for packing, insofar as not expressly agreed otherwise.
- (2) In the event of cost increases or decreases occurring after conclusion of the contract and prior to delivery, the rate valid on the delivery day shall be applicable.
- (3) Payments shall only be deemed effected to the extent to which we can freely dispose over them at a bank. We recognise cheques and bills of exchange as given for the purposes of payment only.
- (4) Discount and expenses shall be borne by the customer.
- (5) Payment of the net purchase price is due within 30 days of invoicing. When payment becomes past due, default interest to the amount of 9% above the respective base interest rate p.a. is charged. We reserve the right to assert damages due to the delayed performance that go beyond this amount.
- (6) Should reasonable doubts arise over the customer's solvency, or should an application for bankruptcy or composition proceedings be filed for his estate, it is in our discretion to accelerate our accounts receivable or demand that advance payment be effected or collateral be furnished.
- (7) If the customer withdraws from the contract without reason or fails to fulfil his side of the contract, then we will be able to demand 25% of the contractual sum as compensation. The compensation shall be higher or lower if the seller is able to furnish proof of higher damage or the buyer is able to furnish proof of lower damage.

§ 4 Offset and Retention

- (1) The buyer has a right to offset only insofar as his or her counterclaims are undisputed or have been legally determined.
- (2) The buyer has the right to assert retention claims only based on counterclaims from the same contractual relationship.

§ 5 Delivery

- (1) Delivery presupposes the timely, proper fulfilment of the buyer's obligations. The defence of the non-fulfilled contract is subject to change.
- (2) The delivery date shall be deemed met if, up to the date, the item to be delivered has left the works or readiness to deliver has been notified.
- (3) In case of a default in acceptance of the delivery or other culpable violations of the duty to cooperation on the part of the buyer, we have a right to compensation for the resulting damage, including any additional expenses. Claims going beyond this are subject to change. In this case, the risk of the accidental destruction or deterioration of the goods passes to the buyer at the point in time of the default in the acceptance of the delivery or other violations of the duty to cooperate.

§ 6 Transfer of Risk and Shipping

- (1) At shipment of the goods upon the desire of the buyer, the risk of accidental destruction or deterioration of the goods transfers to the buyer at the point in time of shipping.
- (2) If the shipment is delayed by circumstances for which the buyer is responsible, the risk already transfers to the buyer at the point in time of the readiness to ship. In this case we will store the goods at the customer's expense; the customer shall be charged for storage on our premises at the rate of at least 0,5% of the invoice amount of the stored deliverable goods.

§ 7 Retention of Title

- (1) Until all payments have been received in full, the goods remain our property. In case of contractual violations of the buyer, including default of payment, we have the right to take back the goods.
- (2) The buyer must handle the goods carefully, insure them appropriately and, to the extent necessary, service and maintain the goods.
- (3) The goods shall be processed for us as manufacturer, without obligating us. When processing or combining the goods with other items we shall be jointly entitled to the new product at the rate of the invoice amount of the goods subject to retention of title to the invoice amount of the other goods used.
- (4) Insofar as the purchase price is not completely paid, the buyer must inform us immediately in writing if the goods are encumbered with the rights of third parties or exposed to other interference by third parties.
- (5) The buyer has the right to resell the goods under retention of title in the course of ordinary business. In this case, however, he or she assigns all claims from such a resale to us, regardless of whether it takes place before or after a processing of the goods under a retention of title. Notwithstanding our right to collect the claims directly, the buyer is also entitled to collect the assigned claim. In this context, we are obliged not to collect the claim as long as and insofar as the buyer meets his or her payment obligations, does not start a bankruptcy or similar proceedings, and does not stop payment.
- (6) At our request, the buyer shall insure the goods under retention of title against loss or damage at his or her own expense; he or she shall herewith assign his or her claims arising from the insurance policies to us in advance.
- (7) Insofar as the above mentioned securities exceed the claims being secured by more than 10%, we are obliged to release the security as we choose upon demand of the buyer.

§ 8 Warranty and Formal Requirements

- (1) The prerequisite for any warranty rights of the buyer is his or her proper fulfilment of all culpable obligations to inspect the goods and lodge complaints according to § 377 HGB (German Commercial Code).
- (2) Warranty claims can be asserted within a twelve-month period after the transfer of risk.
- (3) In case of defects in the goods, the buyer has a right to subsequent specific performance in the form of the elimination of the defect or delivery of a defect-free item. If the subsequent

specific performance fails, the buyer has the right to reduce the purchase price or cancel the contract.

- (4) Legally relevant declarations and notifications of the buyer in relation to the contract (e.g. setting of a deadline, notification of a defect, withdrawal or reduction) have to be made in writing, in written or textual form (e.g. letter, e-mail or fax). Statutory formal requirements and further evidence, in particular in case of doubt about the legitimacy of the person issuing a declaration remain unaffected.

§ 9 Liability

- (1) In case of intent or gross negligence on our part or on the part of our representatives or vicarious agents, we are liable according to the legal regulations; this also applies in case of a culpable violation of essential contractual obligations. Insofar as the damage at hand is not an intentional violation of the contract, our liability for damages is limited to the foreseeable, typical damage that occurs.
- (2) Liability due to culpable injury to life, limb, or health and liability according to the German Product Liability Act are unaffected hereof.
- (3) Insofar as it is not otherwise expressly regulated, our liability is excluded.

§ 10 Applicable Law and Place of Jurisdiction

- (1) This contract is subject to the law of the Federal Republic of Germany (excluding the United Nations Conventions on Contracts for the International Sale of Goods).
- (2) The place of fulfilment and sole place of jurisdiction for all disputes arising from or in connection with this contract is Rottweil, Germany.
- (3) The German version of these general terms and conditions prevails over versions in other languages.

§ 11 Severability Clause

Should a provision of these terms be or become invalid or void, then this does not affect the legal validity of the remaining provisions. In such case the invalid or void provision shall be interpreted or substituted by such provision which comes closest to the intended economic objective of the invalid or void provision. This shall not apply if adherence to the contract constitutes an unreasonable hardship for one of the parties to the contract.