

# Sales, delivery, and payment conditions of Sensor Instruments GmbH

July 1, 2009

## I. General conditions

The scope of deliveries or services is determined by mutual written declarations. If a contract has been concluded without there being such mutual declarations it is either the written order confirmation of the supplier or of the person providing a service (hereinafter referred to as the supplier), or if such has not been rendered, the written order that is decisive. Any deviating conditions of the orderer which we do not expressly recognise are not binding for us, also if we do not expressly contradict such conditions. Protective devices are included in a delivery, if this is expressly agreed upon. The supplier reserves all the property rights and copyrights in cost estimates, drawings, and other documents; these may only be made available for third persons with the prior written consent of the supplier. If the order is not placed with the offer, any drawings and other documents belonging to the offers have to be returned immediately on request. Clauses 1 and 2 correspondingly apply to the documents of the orderer; these, however, may be made available to such third persons to whom the supplier reliably has transferred deliveries or services. Any collateral agreements and undertakings are only effective if they are confirmed in writing. Assembly and repair work are subject to special conditions.

## II. Price and payment

In the absence of special agreements at delivery or installation or assembly, prices are ex works, without packing. Unless otherwise agreed upon payments have to be made within 30 days without discount ex paying agent of seller. The orderer may only set off against such claims that are undisputed or effective in law.

## III. Reservation of title

The supplier reserves title to the goods until all the claims he has against the orderer under the business connection have been satisfied in full. Prior to such full satisfaction pledging or assigning as security is prohibited, and reselling is only permitted for resellers within their normal course of business under the condition that the reseller receives payment from his customer. Possible costs for interventions have to be borne by the orderer. If the value of all the security rights the supplier is entitled to according to clause 1 exceeds the amount of all the secured claims by more than 25%, the supplier will release a corresponding part of the security rights upon the request of the orderer.

## IV. Delivery and delivery time

The delivery time only is agreed in approximation. We do not make time bargains. The delivery period starts when our final order confirmation is received. If after this time the orderer still has to procure documents, workpieces, and similar items, obtain official licences, approve submitted drawings, or if we still have to clarify design details, the delivery period only starts on the day after such procurement, obtaining, or clarification. This also applies if the orderer subsequently changes data, or if the contract as a whole is subsequently modified. The delivery period will be extended by a time that is adequate for the individual case. The delivery time is considered to be observed if the goods have left our plant or store by the end of the delivery period, or in case of a dispatch possibility if the goods have been announced to be ready for dispatch. The delivery period will be adequately extended, also within a delivery delay, if unforeseen events should arise which we could not avoid despite due care under the circumstances of the case, and which make delivery unacceptable difficult or temporarily impossible for us - no matter whether this occurs in our plant or at the plant of our subcontractor -, for example equipment failure, official action, energy supply difficulties, delays in the supply of essential raw and building materials, stoppage of traffic, export and import prohibition, and similar events. The same also applies in case of strikes and lock-outs, mobilisation, war, and blockage, and other cases of force majeure. We will immediately inform the orderer about such hindrances. If we get into default, the orderer has to grant a reasonable extension of time. If this extension of time passes without result he has the right to cancel the order for those quantities and services that have not been announced to be ready for dispatch by the time the extension of time is over. The orderer only has the right to cancel the complete contract, if the already performed partial services are of no interest for him. Compensatory damages for default or non-fulfilment are excluded, unless we caused such default or non-fulfilment intentionally or with gross negligence. Should claims for damages not be excluded, these are limited to 0.5% for each full week of delay after the granted reasonable extension of time has passed without success, but altogether maximally to 5% of that part of the complete delivery that cannot be used in time as per agreement.

## V. Transfer of risks

The risk passes to the orderer when the goods have left the plant, also if carriage free delivery is agreed. Packing is done with best care. Dispatch is performed to the supplier's best judgement. On the orderer's request and account the

consignment is insured against breakage, transport and fire damage. If dispatch or delivery is delayed upon request of the orderer, the risk for the delay time in both cases passes to the orderer on the day the goods are ready for dispatch; on request and account of the ordered, however, the supplier is obliged to take out the insurance the orderer asks for.

## VI. Installation

If not agreed otherwise the orderer is responsible for installation. Installation by the supplier must be defined individually.

## VII. Acceptance

Delivered objects have to be accepted by the orderer, even if they show irrelevant defects; partial deliveries are allowed.

## VIII. Liability for defects

Upon the choice of the supplier all those parts that become useless or the usability of which is considerably limited within 12 months after transfer of risks due to a circumstance having its origin before the transfer of risks, especially due to incorrect design or defective workmanship, have to be repaired free of charge or replaced. The supplier must be immediately informed about such defects, and the corresponding parts have to be sent to him on request. If the supplier lets an extension period he is granted pass without remedying the defect, or if repair is impossible or the supplier refuses to perform repair, the orderer has the right to claim an appropriate reduction of the purchase price. If orderer and supplier cannot agree on this point, the orderer may demand cancellation of the contract. The liability for defects does not refer to natural wear, and does not include damage that after the transfer of risks is caused by incorrect or careless treatment, excessive stressing, improper equipment, faulty construction work, and similar influences, which are not a prerequisite under the contract. The orderer has to observe his contractual obligations, especially the agreed payment conditions. In case of a notice of defect the orderer may only withhold payment, if there can be no doubt at all about the justification of the notice of defect. In this case, however, payments may only be withheld to an extent that is appropriate with respect to the occurred defects. Any unauthorised action by the orderer or by third persons excludes any liability for the consequences resulting from such action. The guarantee period for repair work and replacement is 3 months. This period at least is running until the original guarantee period of the delivery item is over. The supplier especially is not liable for consequential damage caused by a defect (especially production losses and personal damage or property damage). We disclaim responsibility for difficulties arising abroad or due to the regulations of the protection of industrial property rights in the reselling or use of our products or the goods sold by us.

## IX. Cancellation

If unforeseeable circumstances within the meaning of IV considerably change the economic meaning or the content of the services, or affect the plant of the supplier, the supplier has the right to cancel the contract. If he wants to make use of this right of cancellation he must immediately inform the orderer about this after he has acquired knowledge of the extent of the circumstances; he also has to do this if an extension of the delivery period was first agreed with the orderer. Any other claims of the orderer against the supplier, his servants and assistants, no matter for what legal reasons, are excluded.

## X. Place of jurisdiction

The exclusive place of jurisdiction for any disputes resulting directly or indirectly from the contract relationship is the supplier's principal place of business. The contractual relations are governed by the German law.

## XI. Data processing

The supplier has the right to process data about the orderer he receives with respect to the business relation or in connection therewith, no matter whether these originate from the orderer or from third persons, within the meaning of the federal data protection act.

## XII. Miscellaneous

If individual parts should be ineffective due to changes in the legal regulations, this does not affect the remaining parts of the conditions.