

### 1. Scope of these general conditions of purchase

These general conditions of purchase (abbreviated "AGB") are exclusively applied to all contracts in which Sortimo International GmbH, SORTIMO Speedwave GmbH and SORTIMO Grundstücks und Beteiligungs GmbH are contractual partners as purchaser or ordering agent. Divergent, adversative or general terms and conditions of the supplier, which have not been laid down in these AGB are not recognised by us, except when we have explicitly agreed their validity in writing. Our AGB are only valid for companies in the sense of § 14 BGB (Germany), legal entities or public law separate estates.

These AGB also apply to all current contracts with the supplier in which we are contractual partners as purchasers or ordering agents, without obliging us to point out the validity of these AGB in every single case.

### 2. Ordering and confirmation of orders

Our orders need to be confirmed in writing without delay after receipt by the supplier. In case the confirmation did not arrive on our premises within one week after receipt of our order by the supplier, we reserve the right to revoke the order.

Verbal orders need our written confirmation to assume effectuality. Ordering and call-offs can also be effected by telecommunication or by fax.

Our order number is to be indicated on confirmation as well as in all written correspondence.

A confirmation which deviates from our order will only become effective after our written confirmation. Call-offs according to a previously agreed time schedule need not be confirmed.

### 3. Prices, Payment conditions

The agreed prices are fixed and include dispatch, transport insurance and packaging as well as customs clearance and tolls (Germany). We do not accept additional demands of any kind by suppliers when no explicit written agreement has been arrived at.

General price reductions by suppliers (e.g. when list prices are cut) are to benefit us however as well without any prior written agreement.

Unless otherwise indicated, the VAT is included in the price. Estimates are binding for the supplier and are not to be remunerated by us.

As not otherwise agreed in writing, we will pay the agreed price within 14 working days deducting a cash discount of 3% or the net price within 30 days. The period for payment runs from the date of receipt by ourselves of the suppliers' invoice after receipt of the goods or after the supplier has fulfilled his duties.

Payment is made under reserve of incoming inspection and invoice verification. Our payment does not imply our unconditional acceptance of products and services rendered.

The choice of means of payment is left to us. All charges in connection with money transfers, especially transfer charges, special charges connected to foreign trade and costs involved in foreign exchange will be charged to the supplier.

Our liability for late payment is also in case of delay limited to the legal rate of interest.

### 4. Set-off, retaining/right to refuse goods and services

The right to set-off, to retain and to refuse goods and services are only permitted to the supplier in case his counter claims have been declared legally valid or are not opposed. Besides the supplier is only entitled to exercise a right to retain/to refuse performance if his counterclaim is based on the same contractual relationship.

### 5. Delivery/goods and services

The agreed delivery date is binding. The delivery day is the day of receipt of goods on our premises or at the delivery address indicated by us, in case of services the day of acceptance.

Partial, under-, over-deliveries and deliveries ahead of schedule are principally not allowed unless we have explicitly expressed our written approval to you beforehand.

The supplier has a duty to promptly inform us in writing of foreseeable delays while indicating the possible new delivery date, also when he is not responsible for the delay. In case of our approval to this new delivery date; which has to be effected in writing, claims for compensation because of late delivery remain unaffected.

In case of delays on part of the supplier we reserve the right of legal claims. We do not accept exemption from liability and/or limitations of liability of any kind on part of the supplier in case of delays. Additional cost, especially those for needed covering purchases, will be charged to the supplier. The acceptance without reservation of the delayed goods and services does not imply an abandonment of compensation claims.

If the supplier falls behind with delivery, per calendar week or part thereof we have a right to a lump-sum compensation for delay of 1% of the calculated value of the order with which the supplier falls behind, but not more than 20% of this value. We reserve the right to prove a higher amount of loss. On the other hand the supplier is allowed to prove that no loss did occur, or its level was significantly lower.

If the supplier falls behind with delivery, it is his duty to fulfil our demand for express delivery (courier, messenger, express parcel; air freight etc.) without delay and at his expense.

Force majeure, e.g. war, catastrophes, fire, flooding, explosions, earth tremors, civil commotion, measures taken by officials, industrial action, and likewise inevitable events that we are not responsible for, permit us – regardless of our other rights – to partly or completely withdraw from the contract when its goods and services are no longer commercially exploitable for us because of these conditions.

### 6. Dispatch and risk taking

Delivery is effected carriage paid to the agreed forwarding address/application site and at the risk of the supplier. The supplier will take back all packaging materials at his expense. In case, because of a prior specially written agreement with us, delivery is exceptionally effected „ex works“ of the supplier dispatch has to be basically effected at the cheapest method of dispatch (incl. transport insurance). The supplier is liable for the right declaration of the goods.

### 7. Retention of title

We do not agree to regulations of retention of title that exceed those of a simple retention of title, especially not to so called expanded or extended retentions of title or group of company retentions.

### 8. Quality/Documentation

The products to be supplied have to correspond to documents forming the base of the contract regarding construction, quality, coloration and quantity. The supplier warrants observation of each of the legal requirements in force, the accident prevention regulations, the German machine protection act, the relevant regulations and guide lines as well as state-of-the-art technology at the time of signature of the contract.

In connection with the incoming inspection we are only responsible for the following tests of the supplied products. quantity, identity, damage in transport. In this respect, the supplier relinquishes all further legal requirements (specifically § 377 HGB (German Commercial Code)) to the incoming inspection.

The supplier is bound to deliver the products tested 100%. Prior to delivery the supplier is particularly obliged to test the products on meeting the specifications mentioned in the order and if they are free of faults.

The supplier is held to orientate the design and quality of his products to be supplied to us to the current state-of-the-art and to inform us on possible improvements as well as technical changes. Any changes in the products to be supplied can only be effected with our explicit prior written approval.

When the permitted quality limits are not met we reserve the right to refuse the entire delivery or to carry out a further investigation at the expense of the supplier at our own option.

### 9. Production documents-/samples-/means(FU)

The production documents-/samples-/means (to be abbreviated "FU") left to the supplier or financed by us are entrusted to him solely as our property in order to meet our orders. The FU are to be returned to us promptly after the work has been completed without being asked for, free of charge and in proper condition.

A transfer of the FU to a third party as an original or a copy, be it for inspection or other purposes is allowed only when this is necessary to meet the order and after we have given our explicit written permission.

In case the FU are passed on by the supplier infringing the above conditions the supplier will be liable to pay us a lump-sum compensation to the extend of the retail price of the products manufactured with the use of the FU. The supplier will be allowed to offer proof that no damage at all or damage to a much lower extend has been incurred. We will be permitted to prove that higher damages have been incurred.

The supplier has to keep the FU in working order at his expense and take special care to maintain and service it properly. The supplier is liable for any damage to the FU or its loss.

The supplier is held to return the FU on our demand at any time. In this regard, the supplier waives his right of retention or other rights to refuse goods and services.

### 10. Claims for defects and liability

The supplier guarantees his deliveries and services according to legal regulations. Apart from this the supplier guarantees that the products he delivers comply with all agreed qualities and are fit for their foreseen use. In cases of doubt the supplier is held to make enquiries about the foreseen use and the method of processing.

For quantities, weights and measures the values determined by our incoming inspection are binding – unless the supplier proves otherwise.

Defective goods can be returned by us to the supplier at his expense. Regardless of legal claims for defects, in especially pressing cases and/or cases of threatening severe damage we are permitted our own initiative to provide replacement or repair at the cost of the supplier in a way that we seem fit.

In every case of a defect, the supplier is bound to compensate us for administration costs with a lump-sum of 50€. Any claims in excess of this are not affected. The supplier may prove that no or considerably less administration costs has arisen. We will be permitted to prove that we had higher administration costs.

The limitation period for claims for defects is also tied to the legal specifications. For products repaired or replaced within the limitation period of our claims for defects the limitation period restarts when the supplier has completely complied with our demands for replacement or defect removal.

### 11. Liability, product liability and recall.

The supplier is liable – for whatever legal reason – without limitation according to legal regulations and these AGB. An exemption or limitation of supplier's liability is hereby expressly repudiated.

The supplier is obliged to exempt us from claims connected with manufacturers and product liability, as far as the fault triggering this liability is caused by a product delivered by a supplier, when he can't prove that the fault does not originate from his manufacturing area. The claim includes as well the cost arising from a recall action.

The supplier is obliged to take out a liability insurance to cover the above risks of a suitable level and show us proof of that on demand.

### 12. Property rights of third parties.

The supplier warrants that by the use of his deliveries or services no domestic or foreign patents or other third party property rights are violated. In case we or our clients are held liable by third parties in this respect, the supplier is obliged to exempt us resp. our clients of such claims.

### 13. Secrecy and data protection.

The supplier is obliged to treat technical and commercial documents in his care with utmost confidentiality and demand the same from his sub-contractors.

The supplier agrees that we save his data required within the framework of the commercial relationship and the contracts closed with him by means of IT and use them for our own purposes.

### 14. Transfer of orders

The supplier is bound to carry out the order himself. Without our prior written approval, he is not permitted to transfer the order to a third party or call in a subcontractor.

### 15. Place of fulfillment, legal venue, applicable law

The place of fulfillment for all supplies and services is the agreed forwarding address/application site. In case no agreement has been reached the place of fulfillment shall be Zusmarshausen. Place of performance for the obligation to take back packagings according § 4VerpackV (German packaging regulation) is the contractually agreed place of fulfillment.

When the supplier is a businessman, legal entity or public law separate estate, Augsburg is the sole legal venue for all disputes that might arise from the contractual obligations. However we reserve the right to take up proceedings against the supplier on the legal venue of his place of residence or company headquarters.

The law of the Federal Republic of Germany is exclusively applicable. The regulations concerning conflicting laws and the UN agreement on the sale of goods (CISG) are excluded.

Dated: 12 / 2005