



The German version shall prevail

General Terms and Conditions for Purchasing by CTDI GmbH AGB E

Version: January, 2010

1 Area of application

(1) These General Terms and Conditions for Purchasing by CTDI GmbH and its group companies and any other contractual Conditions indicated in the order shall apply exclusively. Any conflicting or deviating conditions of the Contractor shall not apply, even if the performance rendered by the Contractor is unconditionally accepted despite knowledge of such conditions.

(2) Unless otherwise agreed, only orders and other declarations of intent, also in electronic form with an electronic signature in accordance with Section 127 para 3 BGB [Civil Code] which are placed in writing and signed by the purchasing department or of its authorized units (hereinafter "Customer") shall be legally valid.

2 Component parts of the agreement

The following components shall become part of the agreement in the order set forth below:

1. the Order,
2. the description of performance,
3. these General Terms and Conditions for Purchasing.

3 Quality management, environmental protection

(1) The Contractor has to adhere to the Customer's requirements for quality management and environmental protection.

(2) The Contractor is obliged to recover, free of charge, the packaging material and electronic scrap and to collect and dispose of it properly. Upon request, proof of such disposal in compliance with the law is to be furnished.

(3) If the Contractor fails to comply with this obligation, the Customer is entitled to have the collection and disposal effected at the Contractor's expense.

4 Integrity

The Customer and the Contractor shall undertake all necessary measures to avoid actions causing economic damage such as corruption. Each party may terminate the agreement without prior notice if such actions become known.

5 Scope of performance, prices and terms of payment

(1) The price agreed upon in the agreement is a fixed price including delivery "free place of destination". The price covers the entire transport, insurance, packaging and other incidental costs and charges through to delivery/setting-up ready for service at the place of receipt indicated by the Customer, unless otherwise agreed.

(2) The price includes the costs of any installation, integration and transferring work which may become necessary and which shall be performed by the Contractor without disturbing current operations, if necessary outside normal working hours.

(3) The performance shall include relevant instructions for the operation, handling, use and service and other documents in the language customary in the country of the contracting unit. The instructions and documents are included in the price.

(4) Every consignment shall be accompanied by a delivery note. Delivery notes and, if specifically agreed, dispatch notes, must contain:

- number, reference number and date of the Order,

- number of any partial consignment,
- number and issuing date of the delivery note,
- day, month and year of dispatch,
- any information on the type and size of the consignment along with materials numbers and position numbers specified in the Order and
- mode of dispatch

(5) If it is agreed that the performance shall be invoiced on an hourly basis, travel and waiting times as well as travel expenses shall not be paid separately.

(6) The invoice shall be paid following fulfilment of the performance. The payment period amounts to 10 days with a discount of 3 %, 20 days with a discount of 2 %, 30 days with a discount of 1 % or 45 days net. The payment period shall commence on the first day after receipt of the verifiable invoice but not before fulfilment/acceptance of the performance. The date on which the Customer places the remittance order shall be the decisive date for determining compliance with the payment period.

(7) The unconditional payment of the invoice amount by the Customer does not constitute recognition of the Contractor's performance as being in accordance with the agreement.

6 Default by the Contractor

(1) The statutory provisions shall apply in case of default ("Verzug") by the Contractor, unless otherwise provided herein below.

(2) If the Customer asserts a claim for damages in lieu of performance, the Contractor is obliged to return forthwith the documentation provided to the Contractor.

(3) If a contractual penalty has been agreed, the Customer may assert the contractual penalty right reserved by it any time up to the final payment.

(4) The Customer has the right to assert a claim for contractual penalty alongside performance.

(5) Further statutory claims on account of default shall remain unaffected hereby.

7 Default by the Customer

(1) The statutory provisions shall apply in case of default ("Verzug") by the Customer subject to the terms of the following provision.

(2) The Customer shall not be in default in payment until it has failed to effect payment following a reminder from the Contractor.

8 Rescission or termination for good cause

(1) The Customer may rescind ("Rücktritt") or terminate ("Kündigung") the agreement with immediate effect if insolvency proceedings are instituted with respect to the Contractor's assets or if the institution of such proceedings has been rejected due to a lack of insolvency assets to cover the costs of the proceedings or if the due execution of the agreement is put in question by the fact that the Contractor has suspended payments on a not merely temporary basis.

(2) The Customer has these rights already after receipt of the application to institute insolvency proceedings by court.



9 Product liability

Insofar as the Contractor is accountable for a damage on the basis of product liability, the Contractor undertakes to indemnify the Customer against claims for damages by third parties. The Customer shall immediately inform the Contractor of the assertion of such claims for damages and not make any payments or recognise any claims without consultation.

10 Transfer of risk/Acceptance/Inspection for defects

(1) For the transfer of risk and title the statutory provisions shall apply, unless otherwise agreed.

(2) The supply of movables which are to be manufactured or produced as well as installation services require acceptance ("Abnahme") by the Customer. The transfer of risk occurs with acceptance.

(3) In other respects with regard to deliveries the risk is transferred to the Customer upon arrival at the place of receipt and upon counter-signing of the delivery note. Upon delivery the Customer shall inspect only for obvious defects. In all other respects the Customer is released from the obligation to inspect and object to defects set forth in Section 377 HGB [Commercial Code].

11 Warranty

(1) The Contractor shall provide a warranty ("Gewährleistung") during 24 months, commencing on the date of transfer of risk or, if acceptance has been provided for, upon acceptance of the performance by the Customer, and guaranteeing the contractual and defect-free condition and defect-free functioning of the performance for which the Contractor is responsible. The warranty period is extended by the time the performance can not be used correctly.

(2) The provisions of statute shall apply to defects arising during the warranty period. The Contractor is obliged to bear the cost of all expenses arising in connection with the warranty. Other statutory claims shall remain unaffected hereby.

12 Third party industrial property rights

(1) The Contractor is liable for the fact that the performance to be rendered by the Contractor is free of third party industrial property rights which could restrict or exclude the contractual use.

(2) If a third party asserts a claim against the Customer on account of industrial property right violations, the Contractor is obliged to indemnify the Customer against such claims upon first written request. This obligation to indemnify encompasses also responsibility for all expenses incurred by the Customer in connection with a claim asserted by third parties.

13 Confidentiality

(1) Both parties hereto shall treat in confidence all information from the business of the other party which they become aware of through the business relation and which is not generally available. Such information shall not be used for own or third parties' purposes.

(2) These obligations shall continue after the expiry of the agreement.

14 Contractual performance by third parties

The written consent of the Customer is required prior to engaging third parties as subcontractors.

15 Invoice/Tax

(1) The Contractor shall submit a verifiable invoice of its performance. Part payments and final payments are to be marked as such and listed individually in numbered sequence. The invoice shall contain the unit placing the Order, the Order number and the place of receipt. The invoice shall be in accordance with Section 14 UStG [Value Added Tax Act]. Any default in payment due to an invoice which does not comply with the aforementioned requirements is not the fault of the Customer. The invoice shall not be issued before the day on which performance is rendered in accordance with the agreement.

(2) Amendments and supplements to the agreement are to be clearly indicated on the invoice and shall only be paid for if agreed upon in writing before their performance.

(3) The prices agreed are net prices. If applicable, value-added tax to the statutory amount shall be added.

(4) The liability for value-added tax shall pass to the Customer if the Contractor is not a German company and the services or the work performed by the Contractor is taxable in Germany (Sections 13 a, b UStG). In this case the Contractor shall not itemise German value-added tax in the invoice. If the Contractor brings items from a third country to Germany in order to perform the services or work and if in this connection import turnover taxes are levied, these taxes shall be borne by the Contractor.

(5) The Customer may deduct from the gross price any withholding taxes which may possibly accrue and pay them to the fiscal authorities for account of the Contractor unless a valid certificate of exemption is provided by the Contractor.

16 Assignment of claims

The Contractor's claims against the Customer may only be assigned given the express written consent of the Customer. Section 354a HGB shall apply if the transaction is a commercial transaction for both parties.

17 Offset

(1) The Contractor has no rights of retention insofar as they are based on counterclaims resulting from other legal transactions with the Customer.

(2) The Contractor may only offset such claims which are undisputed or recognised by final and binding judgement.

18 Final provisions

(1) The place of performance shall be the place of receipt indicated by the Customer.

(2) The laws of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods, shall apply.

(3) The venue shall be at the court with jurisdiction at the location of the Customer's unit concluding the agreement if the Contractor is a merchant, a public law entity or a public law special fund. However, the Customer is also entitled to have recourse to the court with jurisdiction at the Contractor's principal place of business.

(4) Notwithstanding the legal invalidity of individual items, the remainder of the agreement shall remain binding. This shall not apply if adherence to the agreement would constitute an unreasonable hardship for one party.

CTDI GmbH