

RSGetriebe GmbH Oberstdorfer
Strasse 24
D-87527 Sonthofen

October 2012

General Terms & Conditions of Sale - National and International

1 Scope / Diverging Terms & Conditions of Purchase / Written Form / Valid Contract / Rights in Documentation and Information

1.1 All offers, order confirmations, contracts, deliveries and performances of RSGetriebe GmbH ("Supplier") shall be governed exclusively by these General Terms & Conditions of Sale ("GT&C"). Any opposing or diverging customer terms and conditions of purchase shall not be accepted unless Supplier agrees to them in writing in the particular case. These Terms and Conditions shall apply, even if Seller has - notwithstanding any customer condition deviating from or contradicting to these Conditions - executed deliveries without any reservation.

In the case of ongoing business relations, these GT&C shall also apply to any and all future transactions.

1.2 These GT&C shall apply only to relations with customers who are merchants within the meaning of Clause 310 (1) BGB (German Civil Code), legal persons under public law, or public law funds.

1.3 All orders, declarations of acceptance, amendments and other agreements made before or at the time of conclusion of a contract, including warranties as to the quality of products, must be made in writing to be effective under the law. Changes and amendments of these Terms and Conditions require written confirmation.

1.4 Supplier's offers remain subject to change and are deemed non-binding unless expressly and in writing defined or agreed as binding. Customer is bound to its offer for a period of two weeks. Unless otherwise agreed, a valid contract is deemed concluded only upon written confirmation of an order received by Supplier but at the latest, and in deviation from Clause 1.3, upon customer's acceptance of the delivery.

The written order confirmation by the Seller sets out all the terms of the contract and brings the contract into effect even if the written order confirmation is not consistent with the declarations of the customer in every respect, especially with references to the exclusive application of these Terms and Conditions for Supply and Services. If the customer objects to

the order confirmation he must contest the order in writing within a short time, at the latest seven calendar days after receipt of the written order confirmation by the customer.

1.5 All proprietary rights and copyrights in any samples, cost estimates, drawings and similar documents and information, whether in tangible or intangible form, also in electronic form, are vested in Supplier; they may be made accessible to third parties only upon Supplier's prior written consent. The aforesaid documents and information must be promptly returned to Supplier on request if customer decides not to place a contract with Supplier or if for any other reason no valid contract is concluded with customer.

2 Prices / Price Changes / Packaging

2.1 Unless otherwise agreed in writing, prices are deemed ex works, exclusive of packaging, transportation and insurance, plus the rate of turnover tax applicable from time to time.

2.2 If delivery is effected more than a month after the conclusion of the contract, Supplier shall, in the absence of any fixed price agreement, in the event of a change in costs be entitled to reasonably adjust the prices in accordance with the change in wages, salaries, material and production costs that have occurred. The foregoing shall apply mutatis mutandis if the changes in costs are caused by exchange rate fluctuations.

2.3 Where Supplier is obliged to take back any transport packaging or any other packaging in accordance with the Packaging Regulation, customer will deliver the returnable packaging to Supplier at customer's expense.

3 Payment Terms / Default in Payment / Deteriorating Financial Status / Right of Retention / Set-Off

3.1 All claims fall due upon the delivery of the goods and are payable, without any deductions, within 30 days of delivery of the goods and the date of the invoice. The costs incurred by payment transactions shall be borne by customer.

3.2 Bills of exchange and checks will be accepted only upon agreement and on account of performance only, and any charges thus incurred will be billed to customer.

3.3 In the event of a default in payment the outstanding amount shall bear interest at a rate of 8% above the current base rate. Supplier reserves the right to assert a higher loss.

3.4 If it becomes apparent after the conclusion of a contract that Supplier's claim to counter-performance is at risk due to lack in performance ability on customer's part, Supplier may refuse

performance until customer has made counter-performance or provided security for it. Supplier may set a reasonable deadline for customer to concurrently counter-perform or provide security, at customer's choice. Upon the expiry of said deadline Supplier has the right to withdraw from the contract and/or claim damages or reimbursement of expenses, provided the relevant statutory requirements are met.

3.5 Customer may assert a right of retention with respect to claims of Supplier only to the extent it is based on claims from the same contractual relationship that are uncontested or defined by final enforceable judgment. Set-off shall be excluded where the counterclaim has not been defined by final enforceable judgment or is contested.

4 Delivery and Performance Period / Self-Supplies / Partial Delivery / Force Majeure / Withdrawal / Delayed Delivery

4.1 The delivery dates and delivery deadlines indicated by Supplier are without any commitment unless expressly and in writing agreed or indicated otherwise by Supplier. Except as otherwise agreed, delivery periods will start with the date of the order confirmation but not before all commercial and technical questions have been clarified, in particular but without limitation not before the receipt of all documents to be supplied by customer, any required official confirmations and permissions, and compliance with the agreed payment terms. Without prejudice to Supplier's rights derived from a delay in performance on customer's part, the delivery periods shall be extended in accordance with the period for which customer is delayed in fulfilling its obligations owed to Supplier and/or the period for which the goods cannot be dispatched in due time with no fault on the part of Supplier or Supplier's suppliers. If it has been agreed that customer must provide security or an advance payment, an agreed delivery period shall start at the earliest upon receipt of the security or advance payment, as the case may be.

4.2 In the event that Supplier has not received at all or in due time supply of any goods ordered, Supplier shall not be in default with the delivery in relation to customer if Supplier has concluded a congruent covering transaction for the goods ordered and Supplier's supplier has failed, or if Supplier is not responsible for having received such supply with delay or not at all for any other reason. Supplier is entitled to withdraw from the contract if it is established that Supplier is not responsible for not having received supply of the goods ordered. Supplier can choose its upstream supplier in its

discretion. Supplier shall notify customer of any anticipated delays.

4.3 Delivery deadlines are deemed complied with when the goods have left Supplier's works or their readiness for dispatch has been notified by the agreed deadline. Where an acceptance of the goods is required, the date of acceptance shall be deemed relevant, except in cases of justified refusal of acceptance, or alternatively the notification of readiness for acceptance.

4.4 Partial deliveries are permissible provided that customer can be reasonably expected to accept them.

4.5 In cases of force majeure or other unforeseeable events, e.g. orders issued under currency and commercial policy regulations or other official measures, lawful strikes/lock-outs, operational disruptions (fire, shortages in resources or energy), which temporarily hinder Supplier without any fault on its part or attributable to it from delivering the goods by the deadline or within the period agreed with or without commitment, this deadline/period shall be extended in accordance with the duration of the hindrance caused by such an event. If such hindrance prevents performance for more than three months, Supplier may withdraw from the contract.

4.6 Customer may withdraw from the contract without notice if the entire performance becomes definitely impossible for Supplier prior to the passing of the risk. Customer may furthermore withdraw from the contract if any part of a delivery under an order becomes impossible and customer has a legitimate interest in refusing partial delivery. In all other cases, customer has to pay the purchase price allocable to the partial delivery. The same applies in the event of Supplier's inability to perform. If impossibility or inability of performance occurs during the period of delay in acceptance, or if customer is solely or predominantly responsible for these circumstances, customer remains obliged to make counter-performance.

4.7 If Supplier is in default with performance, customer must set in writing a reasonable respite. Upon the unsuccessful expiry of such respite customer may withdraw from the contract with respect to those items that have not been notified as ready for dispatch by the expiry of the respite. Customer may only withdraw from the entire contract if the partial performances rendered are of no interest to it.

4.8 In case the Seller fails to deliver within the agreed delivery time, the customer - after a grace period of 2 weeks - is entitled to claim a compensation for such delay for each full week thereof amounting to

maximum 0.3% of the value of the equipment being delivered late. In no event the aggregate of such compensation shall exceed a total of 3% of the value if the equipment being delivered late.

4.9 Any enforcement of a claim for compensation shall be explicitly exclude, subject to the provisions as stipulated under Clause 9, any other liability of Seller for a delay of delivery.

5 Passing of Risk / Acceptance / Insurance

5.1 Unless otherwise agreed, the risk shall pass to customer as soon as the goods have been handed over to the forwarding agent or carrier, but at the latest when the goods have left storage or the delivering works, also in cases of partial delivery or assumption of additional performance obligations by Supplier, e.g. payment of the shipping costs or delivery and installation. If an acceptance of the delivery is required, it shall determine the time of the passing of risk.

Acceptance must be effected promptly at the date of acceptance, alternatively after Supplier's notification that the goods are ready for acceptance. Customer may not refuse acceptance on grounds of a defect that is not essential.

5.2 If dispatch and/or acceptance is delayed or prevented for reasons not within Supplier's responsibility or if customer fails to accept the goods in due time even though they were offered to it as agreed in the contract, the risk shall pass to customer upon receipt of the notification that the goods are ready for dispatch or acceptance, as the case may be. Supplier undertakes to effect, at customer's expense, the insurances requested by customer.

6. Reservation of Title

6.1 All goods delivered by Supplier shall remain the property as reserved goods of Supplier until all claims of Supplier under the contractual relationship and any other claims under the business relationship which Supplier acquires against customer for whichever legal reason, now or in future (including all unsettled balances from current account), have been settled. The same applies where the payments were effected for specifically designated claims. In case of continuous account, the reserved goods serve as a security for Supplier's unsettled balances.

6.2 Customer is entitled to resell the reserved goods in the regular course of business. To secure all unsettled claims of Supplier against customer, customer shall assign already at this time to Supplier the claim that will arise for customer from the resale of the reserved goods to its customer; Supplier hereby accepts this

assignment. As long as the reserved goods remain Supplier's property, Supplier is entitled to retract the authorization to resell if there is a justified objective reason.

6.3 Customer is revocably authorized to collect the assigned claim. Supplier may revoke the authority to collect the claim if there is an objectively justified reason. Nothing in this shall affect Supplier's right to collect the claims, however, Supplier undertakes not to collect the claims as long as customer properly meets its payment obligations.

6.4 If Customer fails to properly meet its payment obligations and Supplier, consequently, is entitled to collect the claims, customer is obliged to inform Supplier on Supplier's request about the assigned claims and their debtors, to provide all information required for the collection of the claims, to submit the pertinent documents, and to inform the debtors about the assignment.

6.5 In the event of the reserved goods being processed, combined or mixed with other goods, Supplier is entitled to the title in the new product in accordance with the relation of the invoice value of the reserved goods to the invoice value of the other goods. Any processing, combining or mixing of the reserved goods in the regular course of business is deemed effected on behalf of Supplier. If the reserved goods are sold together with other goods after processing, combining or mixing, the assignment of the claim from the resale shall apply only up to the amount of the share of the invoice value of the goods delivered by Supplier in relation to the invoice value of the other goods. In the event of a sale of goods in which Supplier holds a joint ownership share, the claim is deemed assigned to Supplier in the amount of the joint ownership share. Supplier offers already at this time to grant customer a contingent right to the joint ownership shares that are created. Customer accepts this offer. The joint ownership share shall pass to customer upon settlement of all claims of Supplier.

6.6 Customer is obliged to keep the goods owned or co-owned by Supplier in safe custody and insure them sufficiently. Customer assigns already at this time to Supplier the claims it will be entitled to against its insurance company in the case of a damage, to the extent the claims relate to the goods owned or co-owned by Supplier; Supplier accepts this assignment. Unless customer proves that it has effected the insurance, Supplier is entitled to insure the reserved goods at customer's expense against theft, breakage, water, fire and other damage.

6.7 In the event of any third party action, in particular attachments, seizures or other disposal by third

parties, customer shall notify Supplier without delay and inform the third party without delay about Supplier's reservation of title.

6.8 As long as the reservation of title is valid, the pledging, assignment by way of security, lease or other assignment or change of the reserved goods impairing the security of Supplier require Supplier's prior written consent. Nothing in this shall prejudice customer's right to resell the goods in the regular course of business at the aforesaid conditions.

6.9 If customer has suspended payments not only temporarily, if it files a motion for insolvency against its assets or if insolvency proceedings are instituted against its assets, customer is obliged to return, on Supplier's request, the reserved goods still owned by Supplier. Furthermore, in the event of customer acting in breach of the contract, in particular in the event of default in payment, Supplier is entitled to claim return of the reserved goods. The taking back of the reserved goods is considered as a withdrawal from the contract only if expressly declared so by Supplier. Finally, in any of these cases customer is obliged to promptly provide Supplier on request with a list of the remaining goods subject to reservation of title, including goods that have been processed, and with a list of all claims held against third party debtors.

6.10 On customer's request, Supplier shall be obliged to, at its option, either waive the reservation of title and/or release securities from assignments by way of security and assignments of future claims, provided that customer has fulfilled all claims relating to the object of purchase or provided that the realizable value of all securities granted to Supplier due to reservation of title, assignment by way of security and assignment of future claims exceeds the total amount of claims against customer by more than 10%.

6.11 Customer is obliged to cooperate in the implementation of any measures required to protect Supplier's title to the reserved goods. In particular, in signing the contract customer authorizes Supplier to have the reservation of title registered or noted at customer's expense in official registers, books or similar in accordance with the relevant state laws, and to fulfill all related formalities.

7 Warranty

Where the cause of a defect was given already at the time of the passing of risk in accordance with Clause 5.1 hereof, Supplier shall be liable for defects according to the following provisions:

7.1 Customer shall inspect the goods for defects promptly upon receipt and

notify Supplier of any obvious defects without delay but at the latest 7 days after receipt of the goods, and of any hidden defects without delay but at the latest 7 days after their discovery. A notification of defects must be made in writing.

7.2 If customer notifies Supplier of a defect in due time, customer is, at Supplier's option, entitled to free-of-charge rectification of the defect or delivery of a product free from defects (subsequent performance). Any replaced parts become the property of Supplier.

7.3 Customer shall grant Supplier upon mutual coordination the time and opportunity required for subsequent performance and replacement delivery; otherwise Supplier shall be exempt from liability for the resulting consequences. Only in urgent cases, where operational safety is at risk and/or a disproportionately great damage has to be prevented, customer has the right, subject to prior notification of Supplier, to remedy the defects or have them remedied by a third party and to claim from Supplier reimbursement of the necessary expenses.

7.4 If the complaint turns out justified, Supplier shall bear, out of the direct cost incurred by subsequent improvement and/or replacement, the costs of the replacement part including dispatch, as well as the costs of de-installation and installation, making available of the required mechanics and assistants, to the extent this does not incur any unreasonable expenses on Supplier's part.

7.5 In case the Seller does not fulfil his obligation as per Clause 7.2 the customer may ask for reasonable compensation. However, if a mutual agreement about the compensation can not be reached the customer can ask at a maximum for redhibitory action of the contract. In this case the Seller will reimburse all payments received from the customer so far on return of the delivered equipment. Where the customer pleads for redhibitory action of contract under this clause, all other claims are explicitly excluded, subject to the provisions as stipulated under Clause 9.

7.6 Warranty is excluded if the quality of the delivered goods diverges only insignificantly from the agreed quality, if usability is impaired only insignificantly, and in the case of natural wear and tear. Supplier shall not be liable for any defects caused in that customer failed to comply with any instructions for operation or maintenance, modified the products, exchanged parts, or used materials that do not meet the original specifications. Supplier assumes no liability for defects if and to the extent such defects were caused by

unsuitable or improper use, incorrect installation and/or putting into service by customer or third parties, improper or careless handling, improper maintenance, unsuitable means of operation, defective construction work, unsuitable building ground, chemical or electrochemical or electrical influences.

7.7 Supplier shall not be liable for the consequences of any improper repair work performed by customer or a third party.

7.8 Warranty claims become statute-barred twelve months after the delivery of the goods.

7.9 Customer will only be entitled to claims for damages based on defects where Supplier's liability is not excluded or limited under Clause 9 hereof. Any additional or other claims based on material defects not regulated in Clause 7 hereof shall be excluded.

8. Defects of Title

8.1 If the use of the goods causes an infringement of any intellectual property rights or copyrights, Supplier shall at its expense procure for customer the right of continued use or reasonably modify the goods so they no longer infringe any proprietary rights. If this is not possible at commercially reasonable conditions or within a reasonable period of time, customer is entitled to withdraw from the contract. At the aforesaid conditions, Supplier is entitled to withdraw from the contract as well. Furthermore Supplier will indemnify customer from and against any claims of the right holders concerned that are uncontested or defined by final enforceable judgment.

8.2 Supplier will have to fulfill the aforesaid obligations only if customer informs Supplier without delay of any asserted claims of infringement of proprietary rights or copyrights.

Supplier retains control over all defensive measures including out of court agreements, the defect of title is not caused by an instruction given by customer, and the infringement is not caused by that customer has modified the goods on its own authority or used them for a purpose not agreed in the contract.

8.3 Claims based on defects of title become statute-barred twelve months after the delivery of the goods.

9 Liability

9.1 If customer is unable to use the goods for the contractually agreed purpose due to a fault on Supplier's part because of any omitted or incorrect implementation of proposals/advice given before or after the conclusion of the contract or due to noncompliance with any other contractual accessory duties (in

particular the instructions for use and maintenance), the provisions set forth in Clauses 7, 8 and 9.2 hereof shall apply mutatis mutandis while any further claims of customer shall be excluded.

9.2 It is expressly agreed, that notwithstanding any contrary provisions in this contract the liability of the Seller towards the customer is limited to the following extend:

- (1) To the extent of the contractual agreed liquidated damages.
- (2) Within the frame of contractual agreed insurances of the Seller.
- (3) Regardless of the legal theory under which any claim may be pursued and as far as not covered by an insurances of the Seller, the Seller in no event shall be liable for damages not occurring on the equipment itself and especially the Seller shall not be liable for indirect, special, incidental or consequential damages, including but not limited to loss of profits or revenue, loss of use of equipment, cost of capital, cost of substitute equipment etc.

The limitation of the Seller's liability shall not apply in case of

- (a) willful intent or gross negligence of the organs of the Seller or his executive employees responsible for the execution of the contract;
 - (b) culpable injury to life, body or health; or
 - (c) defects concealed maliciously by the organs of the Seller or his executive employees responsible for the execution of the contract or
 - (d) in case of product liability.
- (4) Where the customer pleads non-fulfillment of contract, the customer is obliged to do everything possible to minimize the incurred loss provided this does not entail unreasonable cost or disadvantages. Otherwise, in case of customer's failure to meet this obligation, the Seller is entitled to a reduction of compensation.

10 Governing Law / Place of Jurisdiction - Arbitration / Place of Performance / Severability

10.1 These GT&C and the entire legal relations between Supplier and customer shall be governed exclusively by the laws of the Federal Republic of Germany with the exception of the UN Sales Convention.

10.2 If Supplier does not exercise the right to initiate arbitration proceedings defined in Clause 10.3 below and if customer is a merchant, a legal person under public law or a public law fund or is domiciled outside Germany, the court of jurisdiction for Supplier's domicile shall have exclusive jurisdiction over any and all disputes arising from the contractual relationship and the related legal relations. However, Supplier may also sue at customer's domicile.

10.3 Instead of proceedings before an ordinary court of law according to Clause 10.2, Supplier alternatively may initiate arbitration proceedings in accordance with the terms and conditions below, while recourse to the ordinary courts of law will be excluded in that case.

If customer has asserted any claims against Supplier and intends to initiate court proceedings, Supplier has the right to choose between ordinary court proceedings and arbitration proceedings within a period of 21 days after receipt of a pertinent written request from customer. If Supplier does not exercise the option at all or in due time, customer has the right to choose between ordinary court proceedings and arbitration proceedings.

In the event of an arbitration proceeding all disputes will be definitely settled in accordance with the Arbitration Rules of the German Institution of Arbitration (Deutsche Institution für Schiedsgerichtsbarkeit e.V. - DIS), while recourse to the ordinary courts of law is excluded. The forum of arbitration will be Munich.

The arbitration panel will be composed of three arbitrators if the value in dispute exceeds EUR 100,000, and of one arbitrator in all other cases. The language of arbitration proceedings will be German.

10.4 Supplier's domicile shall be the exclusive place of performance for all delivery and payment obligations under the contracts made, provided customer is a merchant.

10.5 If any provision of these GT&C or any provision of another agreement is held to be or becomes invalid, nothing in this shall prejudice the validity of the remaining provisions.