

TERMS & CONDITIONS

SYNENTEC GmbH

**CONTENT**

§ 1 General	1
§ 2 Offers; Orders	2
§ 3 Alterations of construction	2
§ 4 Prices	2
§ 5 Export and Import Control	3
§ 6 Shipment - Delivery	3
§ 7 Duty to Inspection and Objection	4
§ 8 Intellectual Property rights and infringements	6
§ 9 Payment	6
§ 10 Retention of Title	7
§ 11 Final Provisions	8

§ 1 GENERAL

(1) The terms and conditions set out below shall form part of any agreement concluded with us.

(2) Our General Terms and Conditions of Sale shall apply in their most recent version and to all subsequent transactions without any need of express reference thereto or agreement thereon at the conclusion of such transaction.

(3) We hereby object to any counter confirmation, counter offer or other reference by the Buyer to its General Terms and Conditions; any dissenting Terms and Conditions of the Buyer shall only apply if we have confirmed the same in writing.

(4) The Buyer may not assign any claims arising from transactions with us without our written approval.

§ 2 OFFERS; ORDERS

(1) Our offers shall not be binding; in particular with reference to quantities, price and delivery time.

(2) Orders placed by the Buyer shall not be regarded as accepted before these have been confirmed to us in writing. If we should fail to confirm an agreement in writing which we have entered into verbally or in a telephone conversation, then our invoice shall be regarded as confirmation. A cancellation of the contract, in whole or in part, is possible as long as the order has not been processed. We do not accept any responsibility for cancellation requests which are not received in due time. The Buyer is obligated to accept the order if cancellation is submitted late. In individual cases, fair consideration will be given to requests for retroactive cancellation or the exchange of defect-free consignments. We reserve the right to charge lump-sum compensation for expenses in the amount of 10% of the net order value in such cases.

(3) We reserve the property and copy rights concerning all drawings, drafts, calculation and other documents. This also applies to written documents which are marked as "confidential". The forwarding of such documents is allowed only with prior written consent.

§ 3 ALTERATIONS OF CONSTRUCTION

(1) We reserve the right to alter the construction of any of our products at any time. Such alterations have no influence on the validity and performance of concluded contracts of delivery of such altered products. They do not lead to any claims for compensation as long as their respective products, its function and its price is not significantly influenced.

(2) Unless Section 2 Sub-Section 1 is applicable, we will inform the Buyer, if we seize production of ordered goods. Any liability based on such seizure is excluded, if more than one year has passed after the order. If applicable, we will ask the Buyer within 14 days to accept equivalent products – if available for us – or to cancel his order without causing any liability for the Buyer or us. Equivalent products are deemed to be accepted, if the Buyer has rendered no statement within 14 days despite the respective information.

§ 4 PRICES

(1) Our prices are offered on an "ex works" basis and shall exclude any statutory VAT (if applicable) which shall be payable at the date of delivery. Packaging and, if applicable, special tests, inspections as well as installations will be charged additionally.

(2) If, as a result of a change of law between the agreement date and the delivery date, additional or increased charges – in particular but not limited to duties, currency compensation payments etc. - shall be payable, then we shall have the right to increase the purchase price accordingly. The same shall apply to any fees for examination.

§ 5 EXPORT AND IMPORT CONTROL

The Buyer bears all responsibility for compliance with international and local laws and regulations and undertakes the obligation not to export or import the products delivered by us in countries, for which an export license or import license or any other government permission is required, if the Buyer has not obtained the necessary consent.

§ 6 SHIPMENT - DELIVERY

(1) The goods shall be transported in any event at the risk of the Buyer. This shall also apply in cases of any delivery free of charge and regardless of which means of transport shall be used. Any transport insurance in favor of the Buyer shall be provided only upon the Buyer's express request. Any costs arising therefrom shall be at the expense of the Buyer only.

(2) The selection of the place of dispatch and the transport route and the means of transport shall, in the absence of any written arrangement dictating otherwise, be subject to our reasonable discretion and be without liability for the cheapest and fastest transport.

(3) If the Buyer provides the means of transport, then he shall be responsible for its availability on time. We shall immediately be informed of any delays. Any costs arising therefrom shall be at the expense of the Buyer.

(4) We shall have the right to reasonable delivery in installments.

(5) Our delivery obligation shall at all times be subject to timely and orderly receipt of the goods from our own suppliers.

(6) Unless otherwise expressly agreed in writing, any indicated time of delivery or unloading shall be non-binding. The time of delivery shall only begin after all technical issues have been cleared and agreed upon.

(7) Any inability to supply as a result of force majeure or other unforeseen incidents outside our responsibility including, without limitation, strike, lock out, acts of public authorities, subsequent cease of export or import opportunities and our reservation of timely supply from our own supplies in accordance with subsection (5) above shall, for their duration and in accordance with their impact, relieve us from the obligation to comply with any agreed time for delivery and unloading. Any such inability to supply entitles us to a recession of contract without creating any claims for compensation or any other regress for the Buyer.

(8) If any agreed time of delivery or unloading shall be exceeded and there shall be no incident referred to in subsection (7) above, then the Buyer must specify to us a reasonable cure period of minimum two weeks. If we shall fail to meet such deadline also, then the Buyer shall have the right to rescind the agreement but shall have no right to seek compensation for breach of contract or default unless in cases of willful misconduct or gross negligence on our part. We reserve the right to claim the exception of non-fulfillment of the agreement by Buyer ("Einrede des nicht erfüllten Vertrages").

(9) We are liable according to the statutory provisions, if we are in default and this default is attributable to an intentional or a negligent violation of an essential contractual obligation by us. Any default of our representatives or vicarious assistants is attributable to us. If the delay with delivery is not caused by an intentional violation of contractual obligations by us, our liability for damages is limited to the foreseeable and typical damages. Our products are thoroughly checked before they are sold. Anyhow, we are not liable for any material deficiency.

§ 7 DUTY TO INSPECTION AND OBJECTION

(1) Upon delivery at the agreed destination or (in the event of self-supply) upon taking possession, the Buyer shall immediately

a) check quantities, type and packaging and record any objections thereto on the delivery note or consignment note and/or the acknowledgement or receipt and

b) conduct a quality check representatively on a spot check basis and, for such purpose, open the packaging and to check the shape and functionality of the goods itself.

(2) In case of a notice of defect, the Buyer shall comply with the following procedures and deadlines:

a) The notification shall be made by no later than the expiry of the working day on which the delivery of the goods to the agreed destination or on which possession of the goods has been taken. In the event of an objection to a hidden defect which, despite a first inspection in accordance with subsection (1) above, has remained undiscovered a different deadline regime shall apply. In such case the objection must be raised within the earlier of the expiry of the working day on which the defect has been discovered but in any event by no later than two weeks after delivery or take-over of the goods.

b) The detailed notice shall be delivered to us within the aforementioned deadlines in writing or by fax. Any notice by telephone conversation shall not be accepted. Any notice to sales representatives, commission agents or agents shall not be valid.

c) The notice must clearly specify the kind and amount of the alleged defect.

d) The Buyer agrees to make available for inspection the objected goods at the place of inspection; such inspection may be done by us, our suppliers or any expert we may have designated.

(3) No objections with regard to quantities, type or packaging or the goods shall be possible unless a note has been placed on the delivery note or a consignment in accordance with subparagraph (1) (a) above. Moreover, right to object shall cease to exist, when the Buyer has mixed, used or resold the goods delivered or shall have started its processing.

(4) Any good to which objections shall not have been raised in accordance with the procedures and deadlines set out above, shall be regarded as approved and accepted. Further we refer to §§ 377 et seq. HGB (Commercial Code).

(5) Pre-condition for any customer's claim for warranty is that the customer complied with his duty of inspection, notification and rejection. In case of obviously faulty or incomplete deliveries, the

complaints have to be notified to us in writing within 14 days from arrival of the delivery at the destination with a precise description of the fault. On our request, the faulty delivery has to be resent to us. Exchanges or return deliveries are subject to our prior agreement and may not be shipped freight forward. If the Buyer, contrary to agreement, returns the goods freight forward, he shall be obligated to bear the costs billed to him by our company to cover the expenses. The costs in this case shall comprise the remuneration which is due and lump-sum compensation for expenses in the amount of 10% of the net order value. Claims of the customer based on faulty or incomplete deliveries are excluded, if the customer does not comply with these obligations.

(6) In case of defects of our deliveries, we may at our own discretion eliminate the mistake or deliver a faultless substitute. Only if these attempts have failed repeatedly or such attempts are unacceptable for the customer, and under the condition that the defect is not a minor one, the customer is – according to the statutory provisions – entitled to cancellation of contract or abatement. The provision of Sec. 478 German Civil Code remains unaffected. We bear all costs that are necessary for the elimination of the defect, in particular transport costs, travel costs and costs of material as far as such costs are not increased through the transport of the contractual object to another destination than the one determined by the contract. The customer is entitled to claim for damages according to the following Sections 7 to 11.

(7) Our liability under the Product Liability Act („Produkthaftungsgesetz“), in cases in which we expressly rendered a guarantee or assumed the risk of procurement as well as in cases of intentionally or grossly negligently caused injuries to life, body or health, our liability is unlimited. For cases of damages to objects and financial losses due to slight negligence, we are only liable in cases of violations of essential contractual obligations („cardinal-obligations“), however, limited to the maximum amount as agreed in the contract or for the damages typical to the kind of contract and foreseeable at the time of the conclusion of the contract.

(8) Claims for damages of all kind, which are caused by improper handling/or use of delivered objects by the customer, or due to work performed by third parties on the delivered objects, are excluded, except the damages are attributable to us. The same applies to damages which result from connecting the system to a ungrounded or wrongly switched power outlet and such damages that the customer could have prevented with due efforts by program and data back-up, staff training and regular random testing of results and plausibility of work products of the delivered software.

(9) The liability for the restoration of lost or deleted data is limited to the costs that are necessary for copying of such data from security backups produced by the customer.

(10) Claims due to defects are subject to a limitation period of one year, starting with the transfer of risks, respectively with the execution of the service. This rule also applies to legal defects. In cases of intentional violation of duties, tort, if guaranteed properties do not exist, if we carry the risk of procurement, in cases of guarantees as well as in cases of damages to life, body or health, statutory provisions for limitation periods are applicable. Para. 438 Sec. 3 und 479 of the German Civil Code remain unaffected.

(11) Any further liability for damages except as specified in the Sections herein-above of this Section are – without regard to the nature of the claims – excluded.

(12) Any warranty claims of the customer against the producer of the hardware and/or software (deriving from producer guarantees, etc.) remain unaffected by the provisions above.

(13) The above-mentioned limitations of liability are applicable with respect to the cause of action as well as to the amount in favor of our statutory representatives, employees and any other support staff or vicarious agents.

§ 8 INTELLECTUAL PROPERTY RIGHTS AND INFRINGEMENTS

(1) We will defend the customer against any claims, which third parties base upon the production, distribution or use of hardware or software delivered by us, which has not been produced according to special requirements of the customer, provided that the hard- or software is used according to the contractual object and purpose, but not if the infringement of the intellectual property rights is caused by a modification of the hard- or software through the customer or the combination with products not delivered by us.

(2) The customer undertakes the obligation to inform us about any obligations of infringement of intellectual property rights of third parties immediately and, as far as necessary, to pursue the legal defense according to our orders on his own expenses. In case a third party claims an infringement of intellectual property rights relating to products delivered by us, we are entitled at our discretion to modify the hard- or software delivered by us – even if already paid and delivered – on our expenses, or to substitute the delivered hard- or software by hard- or software, which does not violate intellectual property rights, or to provide a license for the customer or to take back the hard- or software and reimburse the purchase price to the customer, less an appropriate amount for the usage and the loss of value.

§ 9 PAYMENT

(1) Our purchase price claims are net cash amounts and payable free of any deduction 30 days upon date of the invoice unless other payment terms shall have been agreed.

(2) We shall accept promissory notes and cheques only upon specific arrangement and only on account of payment. Any fees for discount bills or promissory notes shall be at the expense of the buyer and immediately payable.

(3) If the invoice amount shall not have been settled within 14 calendar days after the date of invoice or as at another due date, then we shall without the need to a separate warning notice have the right to recover default interest in a proven amount but in any event an amount equaling 5% above the base rate of the European Central Bank according to § 288 II BGB.

(4) If the Buyer's business shall be operated beyond the ordinary course of business which shall include, without limitation, acts of seizure or a situation where a protest in relation to promissory notes or cheques has been made, payments shall be delayed or even discontinued or judicial or out of court settlement or insolvency proceedings shall have been petitioned or opened or proceedings in accordance with the German Insolvency Act shall have been petitioned, then we shall have the right to declare all our claims arising from the business relationship as immediately payable, even if we shall have accepted promissory notes or cheques. The same shall apply if the Buyer shall be in payment default towards us or other incidents shall surface which give rise to doubts about its

creditworthiness. Moreover, we may in such event demand prepayments or a security deposit or rescind the agreement.

(5) The Buyer shall have no right to set off, of retention or reduction unless the underlying counterclaims have been conclusively determined by a court or expressly acknowledged by us.

§ 10 RETENTION OF TITLE

(1) We shall retain full title of the goods that have been delivered until the Buyer has discharged all claims arising from the business relationship which shall include any account balance and claims from refinancing or reverse promissory notes.

(2) The Buyer shall have the right to dispose of the goods delivered by us within the ordinary course of business. The authority granted hereunder shall cease in the cases referred to in § 9 (4) above. Moreover, we may withdraw the sales authority of the Buyer through written notice if it shall be in breach of any obligation owed to us and shall in particular be in payment default or we shall become aware of other incidents that give rise to doubts about its creditworthiness.

(3) The Buyer's right to process the goods delivered shall also be subject to the limitations set out in subsection (2) above. The Buyer shall not acquire title to the fully or partly processed goods; the processing shall be free of charge for our benefit as Manufacturer in the sense of § 950 BGB (German Civil Code). If we should, for whatever reason, lose our rights under the retention of title, then it is hereby agreed between us and the Buyer, that we shall acquire title upon processing of the goods and the Buyer shall remain custodian of the goods which shall be free of charge.

(4) If the goods in which we have retained title shall be inseparably assembled or mixed with goods that are third party property, then we shall acquire co-title in the new goods or the mixed stock. The proportion of the title shall follow from the proportion of the invoice value of the goods delivered by us under retention of title and the invoice value of the other goods.

(5) Goods in which we shall acquire sole or co-title in accordance with subsection (3) and (4) shall, the same as with regard to the goods delivered by us under retention of title according to subsection (1) above, be regarded as goods delivered under retention of title for the purposes of the following paragraphs.

(6) The Buyer hereby assigns to us all claims arising from the resale of the goods delivered under retention of title. Such claims shall also include claims against the bank which, within the scope of such sale, shall have issued or confirmed a letter of credit for the benefit of the Buyer (= reseller). We hereby accept such assignment. If the goods delivered under retention of title shall be a processed good or a mixed stock, where, in addition to the goods delivered by us, only such goods exist that are either the Buyer's property or a third party property as a result of a (simple) retention of title, then the Buyer shall assign all of the claim arising from the resale. In the other case, i.e. in the event of a conflict between pre-assignment claims by other suppliers, we shall be entitled to receive any resale proceeds on a pro rata basis which shall be determined in proportion to the invoice value of our goods and the other processed or mixed goods.

(7) Where our claims shall be undoubtedly be secured through the assignment and retention by more than 125%, any surplus or receivables and/or good delivered under retention of title shall, upon demand of the Buyer, be released in accordance with our choice.

(8) The Buyer shall be authorized to collect any receivables arising from the resale of goods. Such authority shall cease to exist in the event that there shall no longer be an ordinary course of business as defined in § 9 (4) above. Moreover, we may withdraw the Buyer's authority to collect, if it shall be in breach of any obligation owed to us and shall in particular be in payment default or we shall become aware of other incidents that give rise to doubts about its creditworthiness. If the above authority shall cease to exist or be withdrawn by us, then the buyer shall upon our demand immediately specify to us its debtors in the claims assigned and provide us with all information and documentation necessary for collection.

(9) In the event of any third party action against our goods delivered under retention of title or any receivables assigned to us, the Buyer shall notify such party or our property/our right and immediately inform us about such action. The Buyer shall bear the costs of any intervention.

(10) If the Buyer shall be in breach of contract, in particular in payment default, then it shall, upon our demand, immediately return to us all goods delivered under retention of title and assign to us any repossession claims against any third party in conjunction with such goods. Any repossession or enforcement proceedings with regard to the goods delivered under retention of title shall not be regarded as rescission of this agreement.

(11) In the cases referred to in § 9 (4) above, we may require the Buyer, to inform us about the claims arising from the resale that have been assigned to us in accordance with § 10 (6) above including its debtors. Following such information, we shall have the right to disclose the assignment as we consider appropriate.

§ 11 FINAL PROVISIONS

(1) The place of performance for deliveries shall be the place of destination.

(2) For our benefit, the courts of Pinneberg shall have jurisdiction over all disputes arising from this Agreement. However, we may also select a different place of jurisdiction.

(3) The laws of Germany shall apply. International purchase laws, in particular, refer to the UN Convention (CISG) on the International Sale of Goods as well as German Law on conflicts of law (German International Private Law) shall not apply.

(4) The invalidity of any provision of these general terms and conditions of sale shall not affect the validity of the other provisions. Invalid provisions shall be deemed to be replaced by such valid provisions that shall be suitable to implement the economic purposes of the deleted provision to the greatest extent possible.

We have stored data of the Buyer on accordance with the German Data Protection Act.

(5) The contact details are as follows:

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