

Sales conditions Germany

Edition: 11/2019

For the supply and delivery of Products and/or other Services by IPTE Factory Automation.

The General Sales Conditions of IPTE Factory Automation (IPTE) shall apply to all quotations, agreements and other legal relationships, which concern the supply and delivery of Products and/or Services by IPTE. It is IPTE's general policy that Quotations are drawn up and issued by IPTE's Sales Organization for and on behalf of IPTE's Product Centers.

The Products and Services have to be ordered directly from one of the following IPTE Product Centers. The Contracts are entered into between the Customer and the according IPTE Product Center:

- IPTE Germany GmbH, Heroldsberg, Germany
- IPTE Platzgummer GmbH, Dachau, Germany

1 Definitions

The following expressions shall have the meaning hereby assigned to them unless the context would obviously require otherwise:

Acceptance Certificate: the written confirmation of acceptance of the Products or part of the Products to be issued by the Customer including Acceptance Test protocols indicating that the Acceptance Test requirements have been met.

Acceptance Test: test(s), to be carried out in accordance with Article 9, Acceptance.

Background IP: means all knowledge and expertise including but not limited to calculation procedures, data, models, software, know-how, inventions, operation and design know-how or other Intellectual Property rights existing prior to the date of this Contract which IPTE brings to bear or provide in the course of carrying out or supplying the Products and Services, whether or not contained in documents or other materials, and whether or not in the public domain but not including common knowledge in the field in which the Products/Services are provided at the time the Contract is executed.



Confidential Information: means any technical or commercial information, drawings, technology, designs, manuals, photographs, reports, documentation, customer lists, marketing studies, notes, memoranda and the information contained therein, any information therein in respect of trade secrets, technology and technical or other information relation to the development, manufacture, testing, analysis, sale or supply of the Products and/or Services, and any correspondence pertaining to the Products and/or Services which are proprietary and/or confidential either marked or indicated to be confidential or by its nature intended to be confidential to IPTE and the Buyer, whether communicated orally, in writing or through electronic transmission means.

Contract: the Contract concluded between Customer and IPTE as confirmed in IPTE's Order Confirmation issued by the IPTE Product Center, either by acceptance of the Quotation by Customer or otherwise. Until the Contract has been concluded between the Parties, the word "Contract" used in these General Sales Conditions shall mean the Quotation.

Contract Effective Date: the date upon which the Contract comes into force.

Customer: the party to whom IPTE has made a Quotation or from whom IPTE has received an order, or to whom IPTE has made an Order Confirmation or with whom IPTE has otherwise entered into a relationship wherein IPTE is the supplier of Products and/or Services and legal successors in title to the Customer and any assignee of the Customer approved by IPTE.

Date of Acceptance: the date(s) when the Products or part of the Products are actually accepted or deemed as accepted in accordance with Article 9 Acceptance.

Emergency: an unsuccessful restart, no product can be handled or processed or other similar situations.

Hardware: the equipment specified in the Contract or delivered by IPTE pursuant thereto.

Incoterms 2020: trade terms as issued by the International Chamber of Commerce in Paris.

Invoice: invoice send from IPTE Product Center to the Customer.

IPTE: IPTE Factory Automation NV, the aforementioned IPTE Product Centers as contractual partners of Customer and all companies of which 50% (fifty percent) or more of the issued shares or voting rights are directly or indirectly owned by IPTE Factory Automation NV.

Installation: the installation of the Products to be performed in accordance with the Contract.

Intellectual Property Rights: means all possible existing, contingent and future intellectual property rights, whether registered or unregistered and whether registrable or not, including but not limited to copyrights, patents, drawing and model rights, trade names, trademarks,



database rights, know how rights, right in confidential information, goodwill, plans, models, data, diagrams, source and object code materials, data and processes, etc..

Order Confirmation: the order confirmation as issued by the IPTÉ Product Center.

Quotation: the quotation means estimated budget made by IPTÉ to Customer. In case a quotation is explicitly marked “Budgetary Quotation” it is for information purpose only.

Parties: Customer and IPTÉ collectively.

Products: Hardware, Software, Documentation and all other goods and works that have been or will be supplied from IPTÉ to Customer.

Service(s): the services from IPTÉ to Customer specified in the Contract or pursuant thereto, such as - if applicable - consulting, Installation, maintenance and training.

Site(s): the actual location(s) where the Products or Part of Products are to be installed.

Software: any such computer program or software module in binary code form as specified in the Contract. Software does not include the source code.

Specifications: the technical and functional specifications of the Products as specified in the Contract or in the standard documentation of IPTÉ.

System: means the Products insofar they form an integrated system specified in the Contract.

Territory: the country of Installation of the Products as defined in the Contract.

Any reference in these Conditions to “writing” or cognate expression includes a reference to email, cable, facsimile transmission or comparable means of communication and includes any means of visible reproduction.

Words indicating the singular only also include the plural and vice versa, where the context so requires.

The headings of these Conditions are for convenience only and shall not affect its interpretation.

2 General

2.1. These General Sales Conditions shall apply to all requests for Proposal, Quotations, Orders, Contracts, Invoices and other legal relationships between IPTÉ and Customer which concern the supply and delivery of Products and/or Services by IPTÉ to Customer. These

General Sales Conditions shall be applicable in so far as in a specific agreement itself it is not expressly stipulated otherwise in writing.

2.2. Counter-confirmations from the Customer with reference to his own standard terms and conditions and/or purchase terms are expressly objected to by IPTE; these shall not constitute a part of agreements, unless the terms and conditions are expressly confirmed by IPTE.

2.3. In the event Customer has once entered into an agreement or other legal relationship with IPTE, to which these General Sales Conditions apply, Customer shall be considered to have tacitly agreed to the applicability of these General Sales Conditions to future agreements and/or other legal relationships with IPTE. All orders for Products and/or Services shall be deemed to be an offer by the Customer to purchase the Products and/or the Services pursuant to these General Sales Conditions.

2.4. In the event of any inconsistency between the various documents forming the Contract, these General Sales Conditions shall prevail except in the case of any express terms stated by a Duly Authorized Officer of IPTE in a price list, quotation, sales confirmation, delivery order or invoice.

2.5. Unless the context otherwise requires, any term which is defined in or given a particular meaning by the provisions of INCOTERMS 2020 shall have the same meaning in these General Sales Conditions. In case of any conflict between the provisions of INCOTERMS 2020 and these General Sales Conditions, the latter shall prevail.

3 Quotation

3.1. Unless otherwise mentioned in the Quotation, the Quotation shall be valid for a period of thirty (30) days.

3.2. In case the Quotation is explicitly market “Budgetary Quotation” it is not binding in any way and only for information purpose.

3.3. A project Quotation is drawn up according to the written specifications handed to IPTE by the Customer. The Customer shall remain solely liable for any errors, omissions or inaccuracies, which might occur in these specifications.

3.4. The Customer is solely responsible for informing himself of the technical and commercial characteristics of the quotation.

4 Order confirmation

4.1. The Contract is only formed after acceptance by the IPTE Product Center of the Customer's binding order by written Order Confirmation, dispatched within maximum 2 weeks of receipt of this order. The Contract will be entered into between the Customer and the according IPTE Product Center which is displayed in the Order Confirmation.

4.2. The Specification, the price, conditions, the quantity, quality and description of the Products and/or the scope of work in relation to the Services shall be those set out in IPTE's Order Confirmation and shall bind the parties.

4.3. Any claim with regard to the Order Confirmation shall be made within a period of 8 (eight) clear days from the Order Confirmation date. Once this time limit has elapsed the Contract is definitively concluded, under the conditions marked in the Order Confirmation.

4.4. The Order Confirmation date, plus 8 days, will be considered the Contract Effective Date in case no claims are received.

4.5. In case a claim is received before the Contract Effective Date, both parties shall endeavor to settle this difference as soon as possible. The Contract Effective Date will be delayed until such agreement is reached.

4.6. The Contract conditions and in particular those relating to prices and delivery dates may only be modified by common written consent between IPTE and the Customer.

4.7. Due to continuous improvements and/or in view of satisfying the need and the appropriate execution of the order, IPTE reserves the right to modify Products at any time, without prior notice, provided that the modification is functional identical, the Products do not lose on operativeness and overall appearance and are therefore acceptable to the Customer.

5 Price and payment, partial deliveries

5.1. All Products and Services are sold and all prices are quoted EXW Ex-Works (IPTE Product Center place to be mentioned) in accordance with INCOTERMS 2020 and include loading at the factory, but exclude packing and unloading.

5.2. The prices are exclusive of VAT, unless otherwise mentioned. In the case of delivery abroad, any public charges and customs duties incurred in connection with the import of the Products to be delivered are at the Customer's expense.

5.3. Prices are quoted and payments shall be made in Euro unless stated otherwise.

5.4. If and insofar the Contract mentions that the price is fixed and firm this will be the case provided that:

5.4.1. the Contract Effective Date will occur not later than the validity date mentioned in the Quotation and shall not be varied, and

5.4.2. the Specifications shall not be varied, and

5.4.3. no clauses are mentioned in the Contract regarding price adjustments due to changes in economic conditions during the performance of the contract such as, but not limited to, general public published index figures (for cost of labor, material, living, etc.).

5.5. If and insofar prices are related to periodical payments, such as in the case of service contracts, IPTE has the right to change such prices annually as per January 1st in line with general public published index figures (for cost of labor, material, living, etc.). IPTE shall take into account a notice period of thirty (30) days for such price changes. If the Customer raises no objections, the new prices go into effect. IPTE will inform the Customer of the price changes, the deadline to raise objections and the consequences of non-compliance with the deadline. If the Customer objects, either Party shall have the right to terminate the Contract in writing giving 3-months' notice.

5.6. If the agreed delivery date is more than four months after contract conclusion and if after contract conclusion an unforeseeable increase in the costs incurred by IPTE such as wages, material costs or energy costs has occurred with regard to the Products to be delivered, IPTE will be entitled to correspondingly increase the price initially agreed upon in its reasonably exercised discretion. IPTE will upon Customer's request prove the increase in costs to the Customer. In the case that an adjustment of the price in the form of an increase is requested, the Customer is entitled to withdraw from the contract. Such withdrawal must be declared to IPTE within 1 (one) week from receipt of the request for price adjustment.

5.6.1. Customer shall make all payments to IPTE in accordance with the payment terms mentioned in the Contract. In the absence of payment terms in the Contract, invoicing and payment of the Products shall take place upon delivery Ex-Works (EXW) thereof and invoicing and payment of the Service shall take place upon performance thereof.

5.7. Unless otherwise agreed, payment shall take place within 30 (thirty) days after invoice date and receipt of the invoice. In case of down payment at order, payment shall be made within 8 (eight) clear days of invoice date and receipt of the invoice.

5.8. Payments have to be made by direct bank transfers at the bank account as stated in the Invoice. For payments within a country, the payment terms are net. For international transactions: all expenses in relation with the payment in IPTÉ's Product Center country are to be borne by the IPTÉ, those in the Customer's country by the Customer.

5.9. The minimum total amount of an invoice is 100€ (one hundred Euro).

5.10. Customer shall be deemed to be in arrears with payment, without a reminder having to be issued, if payment is not received by IPTÉ before the deadlines indicated in item 5.7 of these General Sales Conditions. In any such case, interest at a rate of 9% over and above the ECB base rate will be charged. In addition, IPTÉ is entitled to demand a default lump sum in the amount of 40 EUR according to Section 288 (5) of the German Civil Code ("Bürgerliches Gesetzbuch"). IPTÉ reserves the right to recover further damages. In this case, the lump-sum compensation shall be credited against any further claims for damages due to the delayed payment.

5.11. In the case of absence or suspension of payment, after formal notice by IPTÉ which has remained without effect for 15 (fifteen) days, IPTÉ reserves the right to suspend its own obligations until the overdue payment plus interest for lateness and all other related charges such as: legal cost, in-casso charges, etc. are received.

5.12. IPTÉ has the right to compensate all of its claims for payment against Customer with claims for payment from Customer against IPTÉ even if such claims are not related.

5.13. Each Party shall be responsible and liable for any and all taxes and social premiums related to employees or other persons involved by the respective Party in the execution of the Contract and the Parties shall hold each other harmless for claims regarding such taxes and social premiums.

5.14. IPTÉ can make partial deliveries if there is a legitimate cause provided that such partial delivery is in the customer's interest and reasonably acceptable for him.

6 Documentation

Where it is found that any part of the Documentation supplied is incomplete and/or incorrect, the Party discovering such deficiency shall notify the other Party and IPTÉ shall promptly complete and/or correct such part of the Documentation and IPTÉ's liability for the Documentation being incomplete or incorrect is limited to such rectification. The Documentation and information is supplied subject to the provisions of Article 11, License.

7 Title and risk, transportation, storage and insurance

7.1. Risk of loss of and damage to the Products or Documentation shall pass to Customer upon delivery in accordance with the delivery term EXW Ex-Works (IPTE Product Center place mentioned in the Contract) according to INCOTERMS 2020.

7.2. The Products shall remain the property of IPTE until IPTE has received full payment in accordance with the Contract, and -notwithstanding Article 11, Licenses title to and ownership of the Products shall pass to Customer upon receipt by IPTE of such payment.

7.3. For IPTE, handling and processing the Products subject to retention of title are in the terms of Section 950 German Civil Code (“Bürgerliches Gesetzbuch”), without any obligation incumbent on him. The handled and processed Products are considered Products subject to the retention of title according to Section 7.2 of these General Sales Conditions. If the Products are processed, combined or mixed with other goods by the Customer, then IPTE is entitled to co-ownership rights proportional to the new object in relation to the invoice value of the Products subject to the retention of title against the invoice value of the other goods used. If IPTE’s property rights expire through combination or mixing, then the Customer transfers to IPTE the property rights to which he is entitled for the new object or item to the degree of the invoice value of the goods subject to retention and holds them in custody for IPTE free of charge. The co-ownership rights of IPTE apply as goods subject to the retention of title in the terms of Section 7.2 of these General Sales Conditions.

7.4. The Customer provides IPTE at any time with all requested information regarding the goods subject to retention of title or regarding the claims assigned to IPTE. The Customer is obliged to promptly notify IPTE of any seizure or attachment by third parties or third-party claims relating to the goods subject to retention of title, providing at the same time all necessary documents. The Customer will at the same time inform the third party concerned of the retention of title by IPTE. The costs of defense against such seizure, attachment or claims are borne by the Customer.

7.5. If the Customer is in default of performance of fundamental duties such as payment to IPTE and if IPTE withdraws from the contract, IPTE may, without prejudice to any other rights to which it may be entitled, claim return of the goods subject to retention of title and, subject to prior warning, use or realize them otherwise for the purpose of satisfying due claims of IPTE against the Customer. In this case, the Customer will grant to IPTE or its agents immediate access to the goods subject to retention of title and hand them over to them. The provision of Section 107 subsection 2 Germany Insolvency Act (§ 107 Abs. 2 InsO) remains unimpaired.

8 Customer's undertakings

8.1. Customer shall - if and insofar applicable - in a timely and proper manner:

8.1.1. make the Sites available to IPTÉ's personnel and subcontractors with all facilities as specified in the Contract, such as heat, light, ventilation, electric current and outlets, air pressure, telecom and Datacom facilities and adequate storage space, at such times as are stipulated in the Contract or otherwise are reasonably required in order to enable IPTÉ to start up and without interruptions carry out delivery and Installation in accordance with the Contract;

8.1.2. provide IPTÉ with all information necessary for the design, engineering or Installation of the Products or otherwise necessary for IPTÉ to perform its obligations, such as, but not limited to, availability in time of design parts, test parts and parts for acceptance tests.

8.1.3. before any Product is put into service:

8.1.3.1. appraising the risks to the safety of the staff and assets and implementing the corresponding safety measures;

8.1.3.2. carrying out the installation and integration of Products, within its scope of use, in accordance with the standards, laws, regulations, agreements and professional practices;

8.1.3.3. evaluating the cost of interrupting operations and of making, in good time, all provisions for:

- training the operating and maintenance staff,
- providing the corresponding spare-parts,
- estimating the duration of the period for installation and ramp-up,
- carrying out the (preventative) maintenance work and keep proven record of such maintenance;

8.1.4. supply at its cost the parts and staff required to carry out Acceptance Test. The Customer shall insure that the parts supplied for the Acceptance Test are rigorously identical to the plans and/or samples supplied for drafting the Quotation and during the execution of the Contract;

8.1.5. otherwise assist IPTÉ in all respects reasonably required.

8.2. Should Customer culpably fail to meet or be delayed in meeting its above mentioned undertakings, then Customer shall reimburse IPTÉ in respect of all related additional costs and

expenses incurred without prejudice to IPTE's right to postpone its undertakings. Such costs and expenses shall be paid within 30 (thirty) days from IPTE's Invoice.

8.3. In order to prevent the outflow of mission-critical information and knowledge, during the Contract period and for a period of six (6) months thereafter, the Parties shall not employ or otherwise directly or indirectly hire or involve employees of the other Party that have been involved in the performance of the Contract.

9 Acceptance test

9.1. In case of a purchase of Products, these Products are not subject to any procedure for acceptance, except if explicitly agreed in the Contract. Insofar as work and services are owed by IPTE and contractual acceptance of the delivery item is to occur, the following shall apply:

9.2. Acceptance Tests - if and insofar applicable - shall be carried out in respect of the Products or each part of the Products at IPTE Product Center and/or during and directly after the Installation of the Products. The Acceptance Tests are designed to verify that the Products or part of the Products will operate and perform in accordance with the Specifications. The sequence and interrelation of the Acceptance Tests and the time plan for the Acceptance Tests are shown in the Contract.

9.3. If so mentioned in the Contract, Customer and/or IPTE shall carry out and complete the Acceptance Tests, the result of which shall be accounted for in a jointly signed protocol (Acceptance Certificate) designed to clearly verify whether the Acceptance Tests requirements are met or not. In case Customer does not attend the Acceptance Tests, IPTE shall have the right to carry out and complete the test and shall forthwith forward the protocol to Customer.

9.4. Within five (5) days from completion of the Acceptance Test, or in case the test was completed by IPTE in the absence of Customer, within five (5) days from the receipt by Customer of the protocol, Customer shall give IPTE a written notice stating whether or not the Products or part of Products (as the case may be) are accepted. When the Acceptance Test requirements are met, the Products or part of Products shall be deemed to be accepted.

9.5. If the Products or part of the Products are not accepted by Customer due to the fact that the Acceptance Test results verify that the Products or part of Products do not fulfil the Specifications, the above mentioned written notice shall specify the particulars of the alleged deviation from the Acceptance Test requirements and where the same is alleged to exist or to have occurred. IPTE shall without undue delay and at its own expense remedy reproducible

deviations and the Acceptance Test Procedure for the relevant or affected part shall, if Customer so requires, be repeated in accordance with the provisions of this Article 9.

9.6. Acceptance of the Products or part of Products shall not be refused because of minor deviations which do not prevent the Products or part of Products to be put into operation. However, this will not relieve IPTE from its obligation to remedy said deviations without undue delay.

9.7. If IPTE has not received the said written notice from Customer, stating whether or not the Products or part of Products are accepted, within ten (10) days after completion of the work and the Acceptance Tests or from Customer's receipt of the test protocol, as the case may be, the Products or Part of Products shall be deemed accepted as of the last day of said period of ten (10) days.

9.8. If Customer should put the Products or part of Products into operational use prior to or without performance of the above mentioned Acceptance Test, such use shall be deemed as acceptance of the Products or part of Products.

9.9. When according to the above, the Products or part of Products are accepted or deemed accepted, such acceptance shall be confirmed by the issuance by Customer of an Acceptance Certificate. The Acceptance Certificate shall be issued promptly and at the latest three (3) days after IPTE's written request. If the Acceptance Certificate has not been issued within such period, IPTE may on behalf of Customer issue such Acceptance Certificate.

10 Supply period, Delays

10.1. Supply periods and dates are only deemed binding if they have been confirmed by IPTE and the Customer has communicated respectively provided to IPTE in due time all information and documents that are required for the execution of the Contract and has made down-payments, if any, as agreed.

10.2. If IPTE at any time has reason to believe that the performance of its obligations will be delayed, IPTE shall promptly notify Customer and shall subsequently define in writing the estimated period of delay.

10.3. Circumstances outside of IPTE's control, including but not limited to circumstances which are attributable to Customer such as delay in payment or delay of any of Customer's undertakings causing IPTE a delay, shall entitle IPTE to postpone any of its undertakings to such

extent as is reasonable. For delays attributable to Customer, IPTE shall be reimbursed for its costs.

11 License

11.1. Subject to the terms and conditions set forth in this Article 11, Customer is hereby granted a nonexclusive and nontransferable license to use the Software and Documentation for Customer's own operation of the Products or part of the Products in accordance with the Contract. Use of the Software on more than one system is prohibited.

11.2. Notwithstanding anything in the Contract to the contrary, it is understood that Customer receives no title or ownership rights to the Software or Documentation, and all such rights shall remain with IPTE or its suppliers.

11.3. Customer agrees that the Software and Documentation shall be treated as proprietary and a trade secret of IPTE or its suppliers, and shall be subject to the provisions of Article 18, Confidentiality.

11.4. In pursuance of the foregoing Customer shall, subject to mandatory provisions of national and or international laws governing copyrights (for example, Sections 69a et seq. German Copyright Act), and to any other similar provision or regulations, which may complement or replace these acts,

11.4.1. not provide or make the Software or Documentation or any portions or aspects thereof (including any methods or concepts) available to any person except to its employees on a "need to know" basis;

11.4.2. not delete any copyright or other marking from the Software or Documentation;

11.4.3. not make any copies of Software or Documentation or parts thereof, except for archival backup purposes;

11.4.4. not use the Software or Documentation for any other purpose than permitted in this article or the Contract.

11.5. The obligations of Customer under this Article 11 shall survive the termination or expiration of the Contract for any reason.

11.6. In the event the Software or certain functions thereof licensed under the Contract are delivered in an inseparable package also containing other software programs or functions, Customer may not in any way use the other software programs or functions. However, upon

Customer's request IPTÉ shall offer a license to use such other software programs or functions to Customer.

11.7. In the event the Software or Documentation originates from a third party supplier not being a part of the IPTÉ Group, the license conditions of such third party supplier shall prevail in variance of the above conditions of this Article. IPTÉ will inform the Customer of a third party's Software and provide for the according licensing conditions.

12 Warranties

12.1. IPTÉ warrants to repair, to correct or replace the Hardware or part thereof or Software or part thereof if the Hardware or part thereof or Software or part thereof would not conform to and function or operate in accordance with the Specifications by reason of defective material, design or workmanship.

12.2. In the event of a defect to the object the Customer shall request subsequent performance from IPTÉ. If the Customer sets a time limit for this, it must be reasonable.

12.3. Defects must be reported in writing. In case of a purchase of Products, the statutory inspection and complaint obligations of Section 377 HGB (German Commercial Code) shall apply.

12.4. Claims based on defects of quality shall expire at the end of a period of one year from delivery of the Product Ex Works (EXW) respectively from acceptance of the Product. The statutory limitation periods for recourse claims (Section 445b of the German Civil Code) shall remain unaffected by this.

12.5. The limitation periods stated in paragraph 12.4. do not apply in the case of willful misconduct or fraudulent concealment of a defect or if IPTÉ has assumed a guarantee for the quality of the delivery item. In addition, they do not apply to claims based on defects of quality in the cases of injury to health and safety, to claims under the Product Liability Act, in case of a grossly negligent breach of duty or culpable breach of material contractual obligations, meaning contractual obligations that enable proper enforcement of the contract in the first place and which the contractual partner can rely on to be fulfilled on a regular basis, and which endanger reaching the purpose of the contract, if they are violated.

12.6. In the event of a non-conformity of an Emergency character, IPTÉ shall perform temporary corrections or replacements, as the case may be, without undue delay after Customer's

notification thereof to IPTE. Definitive corrections or replacements, by the supply of software updates, shall be performed thereafter.

12.7. Any corrected or replaced Software will be warranted for the remainder of the original warranty period which shall not be extended.

12.8. During the warranty period, the Installation of corrections and/or the Installation of replacement software updates shall be made by IPTE without expense to Customer. Documentation of corrected or replaced Software will be furnished without expense to Customer.

12.9. For additional Software acquired by means of additional orders, the same Software warranty period shall apply, as described above with the exception, that the warranty shall only apply with respect to new functions in the additional Software (as specified in the Contract or otherwise) and that the warranty period is calculated from the date of delivery of the additional Software.

12.10. In the event, upon investigation by IPTE of the failure, it is found that the Product is free from error, the Customer will bear the costs of such inspection including transport costs, hotel and travelling costs.

12.11. In certain cases, rather than proceed with the repair in its factories, IPTE may decide to delegate a technician to intervene directly on the site of use of the Product. In this case the user is responsible for making available free of charge to IPTE, on site, the equipment and staff required for the proper unfolding of the operation.

12.12. In the event of unjustified travelling and in particular in the case of the incorrect use of the Products or insufficient experience by the Customer, the intervention shall be invoiced in total to the Customer.

12.13. IPTE forwards the warranty and services conditions of third party goods as IPTE receives these conditions from this supplier. However, possible statutory warranty claims of the Customer against IPTE remain unaffected by this.

12.14. Any warranty, shall apply only if:

12.14.1. the Products are used and maintained, under normal conditions and in accordance with the Documentation, information and advice furnished by IPTE;

12.14.2. the Customer can show proven record of such maintenance and preventive maintenance;

12.14.3. the Customer has given IPTE every opportunity to inspect and remedy reported defects, non-conformity or deviation.

12.15. The warranty does not cover consumable parts such as lamps, fuses, batteries, etc., nor the repair or replacement of parts, nor damage or liabilities, which might result in particular from the normal wear and tear of the Product, shortcomings in surveillance, in transport and/or in stocking not in conformity with IPTE's specifications, any addition or modification made by the Customer/user or a third party.

12.16. The warranties given above constitute the only warranties made by IPTE with respect to the Products and are in lieu of all other warranties, express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose.

13 Service and support

13.1. IPTE provides service and support for all Products delivered and installed by IPTE. IPTE expects from the Customer to buy sufficient spare parts and training. IPTE expects from the Customer to keep this spare part kit up to date and to maintain the level of trained service personnel. IPTE will treat service calls for trained Customers with up to date spare part kits with higher priority. IPTE expects from the Customer to perform the first line support. All interventions for support (even in the warranty period) will be charged to the Customer.

13.2. IPTE offers service centers operational 24h/24h, 7 days a week. All service calls must be acknowledged in writing (e-mail) within the next working day of the Customer.

13.3. Training, assistance during Installation, Acceptance and ramp-up:

13.3.1. In case technical assistance and training is required or requested, IPTE shall provide this at its premises and/or at the premises of the Customer.

13.3.2. This training and assistance and any possible travelling expenses for IPTE's technician shall be invoiced to the Customer. Unless agreed otherwise in writing, installation assistance shall be charged on a post calculation basis.

14 Intellectual property rights / Infringements

14.1. Any and all Intellectual Property rights and Background IP related to the Products or Services shall vest in IPTE or its suppliers.

14.2. IPTE shall indemnify and keep indemnified Customer against all actions or claims for infringement of Intellectual Property Rights by reason of the proper use of the Products in the

Territory, and IPTE shall in the event that Products become the subject of actions or claims of infringement of Intellectual Property Rights, promptly, at its option and own expense, either:

14.2.1. procure for Customer the rights for continued use of the Products in its present form, or

14.2.2. replace or modify the Products so that it no longer infringes any such rights, or

14.2.3. settle or defend any further claim, suit or proceeding against Customer arising out of such continued use, or

14.2.4. if such remedies are not reasonably or economically feasible, IPTE may request to return the Products and refund to Customer the purchase price less a reasonable amount for depreciation as reflected on the books of Customer, provided always:

14.2.4.1. that Customer without delay informs IPTE in writing of any claim made by reason of alleged infringement as aforesaid and refrains from acting on account of such claims without previous approval of IPTE;

14.2.4.2. that Customer without delay informs IPTE in writing if legal action is taken on account of such claim and that IPTE shall have full authority to defend or settle the same through its counsel;

14.2.4.3. that IPTE is informed of all circumstances which may be of relevance in the legal action taken and Customer refrains from all steps in any legal action which may prejudice IPTE;

14.2.4.4. that in case IPTE fails to act against such claims or actions Customer shall have the right to take appropriate legal action and shall be repaid any expenses in so doing; and

14.2.4.5. that the infringement or alleged infringement does not arise out of the use of the Products in combination or conjunction with any other item or the use thereof not supplied or manufactured by IPTE.

14.3. This Article 14 provides IPTE's sole liability and Customer's sole remedy for claims of infringements of Intellectual Property Rights brought by a third party by reason of the proper use of the Products.

15 General Limitation of liability

15.1. Claims for damages for a breach of duty and in tort, and claims for reimbursement of futile expenses, are excluded with regard to both IPTE and its employees and vicarious agents.

15.2. This limitation of liability shall not apply, if the damage was willfully caused or by gross negligence, or on a breach of material contractual obligations (see Article 12.5 above). It shall not apply to damage caused by injuries to health and safety, either, if IPTE is responsible for the breach of duty. The limitation shall not further apply to damage that is caused by the absence of a warranted quality or for which liability is stipulated under the Product Liability Act.

15.3 In case of culpable infringement of material contractual obligations, the Supplier is also liable for gross negligence of non-executive employees and for a slight degree of negligence – in the latter case limited to reasonable, predictable damage which is typical for the Contract.

15.4 All Customer claims – for whatever legal reasons – expire in 12 months. The legal deadlines apply in the situations described in Article 15.2 above.

15.5. A Party suffering loss or damages shall take reasonable measures to limit such loss or damage.

16 Modification of contract

Additions or modifications of the Contract shall be agreed in writing or in electronic form and executed by a duly authorized representative of both Customer and IPTE.

17 Subcontracting

IPTE reserves the right to subcontract such portions of its undertakings under the Contract to subcontractors. IPTE shall be responsible to Customer for the performance by any such subcontractors as if performed by IPTE, unless Customer has requested IPTE to involve the subcontractor in question.

18 Force Majeure (Reliefs)

18.1. Either Party shall be excused from the performance of any of its obligations under the Contract and such obligations shall be extended by a period reasonable under the circumstances if the performance thereof is prevented or delayed by industrial disputes or any cause beyond the affected Party's reasonable control which, without in any way limiting the generality of the foregoing, shall include acts of God, riots, wars, accidents, embargo or requisition (acts of government), including non-availability of an export license for the Products or any part thereof or visa and permits for IPTE's personnel, or delays in the performance of its subcontractors caused by any such circumstances as referred to in this Article 18.

18.2. The right of relief shall apply irrespective of whether the cause of prevention or delay occurs before or after the agreed due time for such obligations.

18.3. In case of force majeure, the affected Party shall promptly notify the other Party in writing or in electronic form and furnish all relevant information thereto.

18.4. Should a cause of force majeure continue for more than three (3) months, either Party shall then have the right to terminate the contract.

19 Confidentiality

19.1. Except as provided below in this Article 19, the receiving Party of Confidential Information agrees to treat the same as strictly confidential and shall not divulge, directly or indirectly, to any other person, firm, corporation, association or entity, for any purpose whatsoever, confidential information so received, and shall not make use of or copy such Confidential Information, except for the purpose of the Contract. Such Confidential Information may be disclosed only to such of the employees, consultants and subcontractors of the receiving Party who reasonably require access to such information for the purpose for which it was disclosed and who have secrecy obligations to the receiving Party. This commitment shall impose no obligation upon either Party with respect to any portion of such information that:

19.1.1. was known to the receiving Party prior to its receipt from the other Party;

19.1.2. is known or which (through no act of failure on the part of the receiving Party) becomes generally known;

19.1.3. is supplied to receiving Party by a third party which the receiving Party in good faith believes is free to make such disclosure and without restriction on disclosure;

19.1.4. is disclosed by the disclosing Party to a third party generally, without restriction on disclosure;

19.1.5. is independently developed by the receiving Party without use of any confidential information provided by the disclosing Party.

19.2. The acquisition of Confidential Information shall be considered lawful when it is obtained by observation, study, disassembly or testing of a Product that has been made available to the public. However, according re-engineering measures are prohibited insofar as the Product has not been made available to the public (for example prototypes, samples, individual construction).

19.3. Customer and IPTE agree that each other's trade secrets are proprietary and confidential. Customer agrees that the contents of the Quotation and the Contract are confidential.

19.4. Unless otherwise agreed, IPTE shall have the right to use Customer as a reference.

19.5. The obligation of confidentiality set out in this Article 19 shall survive the termination or expiration of the Contract for a period of five (5) years.

20 Export regulations

20.1. Customer is informed that sale and delivery of (parts of) the Products in an export situation may be subject to export regulations, e.g. of the resident country of IPTE Product Center, the European Union and/or of the United States of America. Customer shall hold IPTE harmless of any and all claims, which relate to infringement by Customer of such regulations.

21 Termination

21.1. Either Party may terminate the Contract by notice in writing to the other Party on the occurrence of any of the following events:

21.1.1. if the other Party shall commit a material breach of the Contract and after receipt of a written notice specifying the breach or default shall fail to remedy the breach within a specified period of time set forth in the said notice, which period of time shall be reasonable taking into account all relevant circumstances;

21.1.2. if bankruptcy or insolvency proceedings are instituted against the other Party and such proceedings are not dismissed within thirty (30) days from the date of proceedings, or the other Party makes an assignment for the benefit of its creditors;

21.1.3. due to a force majeure event, in accordance with the provisions of Article 18, Force Majeure.

21.2. A termination of the Contract by the Customer for any reason, after the Contract Effective Date, not related to the nonfulfillment of the obligations by IPTÉ, will only be accepted by IPTÉ in case all the reasonable costs, which IPTÉ has made for this Contract, will be settled. In this case IPTÉ will be entitled to keep the amounts of Invoices already paid by the Customer and will be further reimbursed up to the level of its costs.

21.3. The right to termination for cause remains unaffected.

21.4. Provisions contained in the Contract or these General Sales Conditions that are expressed or by nature are intended to survive the expiration or termination of the Contract shall survive such expiration or termination.

22 Entire contract

22.1. The Contract sets forth and shall constitute the entire agreement between Customer and IPTÉ with respect to the subject matter thereof, and shall supersede any and all prior agreements, understandings, promises and representations made by one Party to the other concerning the subject matter of the Contract.

23 ASSIGNMENT

23.1. Neither Party shall have the right to assign the Contract or any right herein without the prior written consent of the other Party. However, IPTÉ shall have the right to assign the Contract to other IPTÉ Group companies.

24 GOVERNING LAW

24.1. The Contract and all other rights and obligations between Customer and IPTE shall be exclusively governed by the law of the Federal Republic of Germany. The applicability of the UN Sales Convention and the German private international law are excluded.

24.2. The Contract, including these General Sales Conditions, is binding except in case of overruling compelling legislation.

24.3. If any clause of the agreement and these General Sales Conditions is or will become invalid, such clause shall not affect the validity of the remaining clauses. The parties agree to replace the invalid clause by a valid clause, which shall meet as closely as possible the legal and commercial purpose of the original one.

24.4. All disputes, differences or questions between the Parties with respect to any matter arising out of or relating to the Contract or other rights and obligations between Customer and IPTE which cannot be settled in an amicable manner, shall be settled by the Regional Court I, Munich.