

§ 1 GENERAL

- (1) Delivery and scope of services not specified in our offer, do not form part of the contract. General terms and conditions of trade are subject of further negotiations.
- (2) Offers of IWM Automation are made on the basis of the standard components of our IWM standard programs for mechanical and control technical components.
- (3) All other separate technical performances and equipment not mentioned in this offer are in accordance with the technical regulations, specifications, and terms (unless we stated our objections to your specifications), mentioned in the performance specifications submitted with your enquiry, as well as the technical discussions that were held.
- (4) The current state of the art of the European automotive industry has been considered and is contained in this quotation.
- (5) The prices are valid – unless otherwise stated - under the precondition that the assembly and commissioning can be done during a continuous period of time (without interruption for parts production) on weekdays, Monday to Friday, 07.00 to 17:00.

§ 2 ACCEPTANCE

- (1) The acceptance of goods and services rendered by the Contractor in full or in part, in principle has to occur immediately after the completion of the installation and the delivery of the written request containing a reasonable deadline for acceptance. Should a trial run have been agreed upon, the written acceptance with proof of compliance with the agreed parameters, is submitted, however not later than 4 weeks after the expiry of the deadline set in the written request for acceptance. Should acceptance not occur within the period set in the request for acceptance, the installation/plant is regarded as having been accepted 14 calendar days after the expiration of the set deadline.
- (2) Minor defects or those not relevant to safety do not entitle the Employer to refuse acceptance. Defects relating to only a part of the performed services, do not entitle the Employer to refusal of acceptance of the totality of performed services.
- (3) Upon the commencement of commercial operations the installation is regarded as having been accepted.
- (4) The risk passes to the Employer from the moment of acceptance. In the case of delivery without acceptance, the transfer of risk passes in the moment of handing over the delivery to the Employer.
- (5) The measurements required for acceptance (abilities, Q-acceptance, etc.) are made with measuring equipment (measuring instruments, machines, programs, personnel, etc.) of the customer.

§ 3 WARRANTY

- (1) We grant a warranty period of 24 month after the commissioning of the machine at the customer's installation site or the production start respectively, but a maximum of 25 month after delivery – unless otherwise stated.
- (2) Excluded from the warranty are spare and wear parts as well as damages and down times caused by operator's errors, faulty parts, wrong servicing of the machine or nonexistent spare- and wear parts. Components provided by the customer are also excluded from the warranty.
- (3) The Contractor ensures a contractual, accurate and technically correct execution of all stipulated services. Defects resulting from faulty construction, unsuitable materials or poor workmanship and rendered unusable by parts of the delivery or installation or are severely restricted in their use result in the Contractor's fulfilling his liability through either the free repair of defective parts or the subsequent delivery of new parts. The Contractor does not assume liability for faulty documents or other services provided by the Employer.
- (4) The Contractor will be made liable for the failure to achieve contractually guaranteed performance or consumption figures through rework or replacement free of charge. In the event of this not being possible and repeated unsuccessful supplementary performance, the client may, after consultation with the Contractor, have the defect remedied by a third party at the Contractor's expense or reduction of the contract price accordingly.
- (5) Contingent defects must be reported immediately in writing by the Employer. The warranty excludes the abuse or misuse of delivered goods and services by the Employer or third parties.
- (6) Should the need arise for goods and services rendered by the Contractor to be repaired due to a defect or a supplied part having to be replaced, the warranty period for this is extended by an additional 12 months. Should the operation of the plant be interrupted because of remediation of a defect, the warranty period is extended for the duration of the outage. In no case does the warranty period extend beyond 36 months. Upon the expiration of the extended warranty period or of the warranty extended by the duration of the outage in order to repair the defect, the obligation of the Contractor to repair defects is terminated.

§ 4 LIABILITY

(1) The liability of the Contractor to the Employer for damages caused to property by the contractor is limited in accordance with the operational liability insurance concluded by the contractor to the amount of EUR 5,0 million per occurrence. The Contractor shall be liable only for damages typically arising in transactions such as those being the subject of this contract.

(2) The contractual or tort liability for indirect, collateral or consequential damages such as loss of production, operational interruption, costs of alternative waste disposal, loss of revenue, financial losses and lost profit is excluded.

(3) The total liability of the Contractor for claims by the Employer for whatever legal reason, including the case of the resignation or termination (however, except for damages to property that are covered by the above liability insurance) is limited to a maximum of 50% of net order value.

(4) Further liability of the Contractor does not exist.

(5) The aforementioned liability limitations shall not apply in cases where in terms of the statutory arrangements the liability may not be limited in reason or extent, e.g. for wilful or grossly negligent damage caused to property, for injury to life, health or to the physical integrity of persons, unlimited liability as determined in the Product Liability Act, or lack of expressly assured properties when the guarantee was intended to protect the Employer against damages not caused to the delivered product as such.

§ 5 CONDITIONS

(1) All references made in in our offers and their annexures or in the separate agreement to be concluded (particularly in the descriptions of the delivery and scope of services, and in the definition of attributes and technical data) as well as all terms employed in this connection ("promised features", "guaranteed performance", "to guarantee", "guarantee/ warranty" or "guaranteed values") are not to be read either as dependent guarantee or as a guarantee in terms of Section (§ §) 443, 444 or 639 BGB (German Civil Code). All agreements reached in the contract and its appendices always represent a description of the agreed-upon conditions and performance characteristics without providing a guarantee in terms of the statutory provisions referred to.

(2) In as far as certain employer rights relating to defective goods in the case of defective delivery or performance emanate from the contract to be concluded, these remain unaffected by the abovementioned regulation.

§ 6 INSURANCE

(1) Site installations and other equipment belonging to the Contractor or its staff are insured against damages.

(2) The Contractor carries liability insurance in accordance with the statutory provisions against any damages for which the contractor or its staff are liable to the employer or any third party.

(3) For the protection of property damages to contractual goods or services, construction- and installation insurance is carried by the Contractor.

§ 7 CONFIDENTIALITY, COPYRIGHT

(1) All documentation and information provided before or in terms of the contract are to be treated confidentially by the receiver, and require the prior written consent of the disclosing party for their use outside the framework of the contract; this remains applicable even after the termination of the contract.

(2) The Contractor retains the copyright to all documents prepared, e.g. planning documents, drawings, calculations, programmes, tables and diagrams. He shall grant to the Employer the non-exclusive, non-transferable right for use of the documents solely for the purpose of services.

§ 8 FORCE MAJEURE

(1) Events of force majeure are circumstances for which neither of the two parties can be held responsible, in particular war, war-like acts, insurrection, mutiny, strikes, lock-outs, natural disasters, epidemics, quarantine measures and fire.

(2) Should any of the parties on the basis of evidence submitted not be able to fulfil completely or in part its contractual obligations due to force majeure, the delivery- or performance period is to be adjusted by mutual agreement.

(3) In the case of force majeure, the contractor is not obliged to pay compensation for the delay caused by it. Should such an event occur, the Contractor will strive to render the agreed goods and services on time.

(4) In the event of any additional expenditure a mutually agreeable arrangement is to be made.

(5) In the case of suspension due to force majeure, the Contractor shall be entitled to remuneration for works performed before the event of force majeure and reimbursement of documented costs for the demobilization, the protection and preservation of the supplied system components as well as the working materials.

(6) If the period of Force Majeure exceeds 4 months each Party shall have the right to terminate the contract involving a 30 days deadline. In case of termination the Contractor may demand the remuneration for the deliveries, works and services already provided in parts or whole, for material already ordered as well as the compensation for expenditures which had to be borne by the Contractor in expectation of the contractual

completion of all deliveries and services. The same conditions pertain in the case of suspension attributable to the Employer lasting longer than 4 months.

§ 9 OTHER PROVISIONS

(1) Written form

In order to be binding additions and / or changes to the contract including the delivery and scope of services, shall be effected in writing. The same applies to any amendment of this clause.

(2) Transferability of rights

The assignment of rights and / or transfer of obligations by the Employer from the contract without the written consent of the Contractor is not permitted.

(3) Legal constraints

The contractual relationship is governed solely by the Federal Law of the Federal Republic of Germany with the exclusion of UN sales law.

(4) Jurisdiction

The sole venue of jurisdiction for all disputes arising from the contractual relationship is the registered head office of the contractor.

(5) Contract Language

The contract language agreed upon is English.