

Terms and Conditions of Sale

1. Validity of our Conditions

The following terms of sale and performance apply to any and all sales without exception. We do not sustain any other conditions – especially purchase conditions of our customer. The terms of sale are effective for the duration of the business relationship so that the terms of sale need not be sent in each particular case.

2. Documents

Any documents pertinent to the order such as figures, drawings and weights are only of approximate authority. The data are not to be deemed as an undertaking as to the quality of our products. The data do not dispense the customer from checking our data and recommendations for his own use in his own responsibility.

3. Copyrights

We reserve the proprietary and copyrights of all cost estimates, drawings and other documents. These may not be disclosed to third parties. All drawings and other documentation are to be returned to us promptly upon our request, if the order has not been brought about or completed, whatever the reason may be.

4. Agreements

Our letters of confirmation and our terms of sale are authoritative for the obligations and claims of the contracting parties. Any and all collateral and agreements including those made with sales representative require to be confirmed by us in writing in order to become legally effective.

5. Pricing

Prices are quoted in EURO. The prices are ex works exclusive of packing. Prices are subject to alteration without notice, if there is a period of more than four months between the conclusion of the contract and its performance, and if the factors upon which price calculation is based have changed during that period. If payment is ceased, the reductions, bonifications etc. are deemed as not having been granted, so that gross prices have to be paid. Bills of exchanges and cheques will only be taken in as an interim on account of performance. Performance is deemed to have been fulfilled only, when they have been redeemed.

6. Minimum Invoice Value / Minimum Order Value

If the total net value of the goods is less than EURO 100,- per order there will be a surcharge of EURO 20,-. The minimum order size is the packing unit.

7. Delivery

Terms for delivery will be quoted to the best of our assessment, however, they are not binding. Delivery may be made in part consignments.

8. Shipment

All shipments are made for the account and at the risk of the customer. If nothing has been agreed to that effect, shipment is always made to our reasonably exercised discretion. No liability is assumed for the cheapest shipment. Insurances the cost of which are always at the customer's charge are only taken out upon the customer's express request. As a rule delivery is ex works.

9. Passing of the Risk

On delivery of the goods to the carrier or forwarding agent, at the latest however at the point of leaving the works a store, the risk – including the risk of attachment – passes to the customer, including also for instances risk incurred during carriage paid, fob or cif transactions.

10. Payment

Credit terms are at a discount of 2 % if the payment is settled within 10 days or net if within 30 days from the date of the invoice. Time for payment may be extended only under the provision that we shall be under no obligation to enforce collection of a forfeited good and that we learn of no other circumstances indicating that our credit is at risk. Under such circumstances the customer is obliged to settle any and all of his accounts with us including those that are not due at the time by contract. In the event of frustration of the time limit for payment we shall be entitled to ask for prompt cover of any acceptance provided before its maturity. Any costs of whatever nature including telephone, telex and facsimile incurred by us in making request for payment will be charged to the customer. The customer. The customer may only set off against uncontested or final and absolute claims.

11. Warranty of Quality

In modification of the statutory claims we are liable on case of justified notice of defects of quality as follows.

a) All defective parts or performance are to be remedied, newly supplied, or newly to be made at our choice.

b) We may make three attempts to remedy the defect in accordance with the foregoing item a). If none of these succeed, the customer is entitled to the statutory claims. Claims for damages are excluded, however, as far as we are not liable pursuant to item 11.

c) The customer is obligated to examine the goods or performance supplied by IBH immediately (§ 377 German Code of Commerce).

Natural tear and wear as well as defects that have occurred because of faulty or negligent treatment, excessive strain or unsuitable means of operation are not subject to our liability. The same applies as far as the customer or third party carries out alterations or repair work without prior consent in writing.

d) For the supply of a third party's goods or performances we do not assume any liability for quality. We hereby transfer already any and all claims we are entitled to against the supplier of such third party goods or performances to the customer.

e) The period of limitation for defects is one year, unless the law provides a compulsory period of five years.

12. Liability

Claims for damage because of defects or because of breach of duty are excluded. This does not apply for damages from the injury of life, of the body or health that are due to negligent violation by us or willful and negligent violation of duty by our legal representative or vicarious agent, the same applies for other damages due to a grossly negligent violation of duty by us or a willful or grossly negligent violation of duty by our legal representative or vicarious agent.

The customer's right to withdraw from the contract in case of a violation of duty that does not reside in a defect of the object of the purchase or the work remains unaffected.

Also remain unaffected by this clause the claims from the German Product Liability Act.

13. Force Majeure

Either of the contracting parties is entitled to partly or totally terminate the contractual delivery commitments for cause of force majeure or act of God, for instance strike, lockout, war and mobilization, ceasing of operation for whatever cause, delay or inability to provide the required transportation by the German Railway Organization, or closing of railway lines.

14. Place of Performance

Place of performance for any and all mutual obligations is Norderstedt, Germany. This applies also for trade-in cheques and bills of exchange.

15. Jurisdiction /

Application of German Law

For all litigations resulting directly or indirectly from the contractual relationship Norderstedt shall be the sole place of jurisdiction, if the customer is a merchant registered in the commercial register. For the contractual relationship only German national law shall be applicable excluding the UN-Law on the International Sale of Goods.

16. Right of Rescission

We reserve the right to rescind this contract and any and all other contracts between us and the customer, if we suspect or learn of circumstances that the customer's financial situation has deteriorated considerably. We have to declare the right of rescission promptly. It is also reserved for the case that the customer has not paid for invoiced amounts decayed with us.

17. Reservation of Title – Security Interest

We retain title in the goods – this applies also for goods delivered outside Germany – until all the vendor's claims against the customer from the

business relationship have been settled. Until the purchase price has been paid, any pledging, chattel mortgaging. And other passing-on is forbidden, and selling and use is allowed to resellers and work contractors only in the usual course of business and only under the provision that the reseller or work contractor is promptly paid or reserves the title to pass to the third party only when that third party has paid the price in full. Under that provision we give our prior consent to pass the title to the third party. In case of resale or re-use the customer assigns his future title to the purchase price and the remuneration for work and services to us as security upon contracting with us, for which assignment no other declaration shall be required. Until revocation the customer may collect the newly accrued claim. If we process goods supplied to the customer, we shall reserve title in the whole product into which our good has been incorporated in proportion of the value of the good we have supplied. If the goods are attached, the customer must bring the reservation of title to the notice of the enforcing officer. He must also bring notice to us by registered letter enclosing the record of the attachment and an affidavit saying that the attached goods are identical with the items supplied by us under reservation of title and not fully paid at the time. The customer absorbs the eventual cost of the intervention. In case of cessation of payment the customer must promptly select the goods supplied by us that are still on hand and the assigned outstanding accounts and give us a specified list of these. If the value of the security interests to which we are entitled under phrase 1 exceeds the value of all secured claims by more than 20 %, we shall release a respective part of the security interest upon the customer's request.

18. Data Storage

We store personal data within the scope of our business relations and proceed them within our company.

19. Excess Delivery or Short Delivery

Concerning possible deviations in manufacturing we reserve the right to increase or decrease the size of the order by up to 5 %.

20. German Terms of Sale

The German version of the terms and conditions of sale is authoritative.