

General Terms and Conditions of Business (Last Revised 06/2001)

1. Scope of Application

- 1.1 Our Terms and Conditions apply only with respect to businesses in the sense of Section 310 BGB (Civil Code).
- 1.2 The following General Terms and Conditions of Business apply to any and all of our contracts, deliveries and other services, unless they have been modified or excluded with our express, written agreement. General terms and conditions of business of our contract partners apply only if and when we have confirmed their application in writing.
- 1.3 Our Terms and Conditions also apply to any and all future contracts, deliveries and services, even if the text thereof has not been sent again with our enquiry or our order to our contract partners.

2. Offer and Conclusion

- 2.1 Our orders are valid only if and when they have been submitted in writing.
- 2.2 If our contract partner does not accept our order within 5 days, we are no longer bound by the order. Deviations from this provision are valid only if we have expressly agreed to them in writing.
- 2.3 Any and all agreements between us and our contract partner must be recorded in writing upon conclusion of the contract.
Any and all agreements – including those concluded at a later time – do not become effective until we have confirmed them in writing; the power of representation granted to our employees or representatives is restricted to this extent.
- 2.4 If we have not expressly concluded agreements to the contrary with our contract partner, any and all prices are shown including packaging, packaging material, shipping costs and other incidental costs; only applicable statutory VAT may be added to the prices.
Unless we have concluded special agreements with our contract partner, we are entitled to deduct 3% cash discount upon payment within 14 days after receipt of the goods and invoice, or 2% cash discount upon payment within 30 days after receipt of goods and invoice; if we do not deduct a cash discount, we are not required to pay our contract partner's invoice until no later than 60 days after receipt of the goods and invoice.
If delivery dates and delivery periods have been agreed, the credit lines in case of premature delivery commence upon the planned delivery date and not upon receipt of the goods. If we receive goods and invoice at separate times rather than simultaneously, the periods commence at the point in time at which both goods and invoice have been received in our company.
- 2.5 Commercial letters of confirmation from our contract partner do not result in the conclusion of a contract with content deviating from our order and our other written statements, even if we have not raised objection.

3. Delivery and Transfer of Risk

- 3.1 Unless we have concluded contrary agreements with our contract partners, our contract partner is not entitled to perform partial deliveries and/or partial services.
- 3.2 Unless we have concluded deviating agreements with our contract partner, our contract partner shall deliver the goods to us free to our door. Price and risk of performance do not transfer to us in any case until the goods and service have arrived at our company or at the place of receipt we have designated.
- 3.3 Our contract partner shall include with each and every consignment two delivery notes containing all of the essential features of our order. The invoice must contain the same information.

4. Delivery Dates, Release Orders

- 4.1 Agreed delivery and release dates are binding; delivery periods are calculated as of the date of our order or confirmation. If circumstances of any nature whatsoever arise for our contract partner which may cause a delay in delivery, we must be notified immediately, including proof of the circumstances and the presumed duration of the delay.

- 4.2 Our release orders become binding at the latest if and when our contract partner does not object to them within 5 business days after receipt.

5. Inspection Right

- 5.1 We are entitled to inspect, or to have inspected, the ordered objects/goods at any time during normal business hours in our contract partner's works after an announcement period of 3 business days.

6. Assignment

- 6.1 The assignment of receivables due from us is permissible only with our written approval.

7. Set-off

- 7.1 We may set off the counterclaims due to us in any case, subject to legal conditions.

8. Warranty

- 8.1 Our contract partner warrants that his goods and services are in conformity with our agreements, legal provisions and state-of-the-art technology.
- 8.2 We hereby notify our contract partner that only a visual inspection is performed during the incoming goods inspection so that we can submit complaint of obvious defects as well as of excess or short delivery to our contract partner immediately. Our obligation to submit complaint in accordance with Sections 377, 378 BGB is limited to this extent.

- 8.3 Otherwise, we are entitled to legal warranty rights and damage compensation claims without restriction.

9. Default, Impossibility

- 9.1 If our contract partner is in default of delivery, he shall pay a lump-sum compensation for default in the amount of 1% of the delivery value for each and every full week of default, limited to a maximum of 8% of the delivery value; our contract partner has the right to prove that no, or only slight, loss has actually resulted as a consequence of the default. We have the right to assert more extensive damage compensation claims.

- 9.2 In each and every case in which we are entitled to a claim for damage compensation, we may, without further proof, demand 20% of the contractually agreed price as compensation, provided that our contract partner proves that no, or only slight, loss has resulted. The above provision is without prejudice for our right to assert any greater losses which have actually been suffered.

10. Producer Liability

- 10.1 Our contract partner shall indemnify and hold us harmless from any and all damage compensation claims asserted against us by third parties pursuant to provisions concerning actions in tort, product liability or, by virtue of other provisions, flaws or defects in the goods manufactured or delivered by us or by our contract partner, to the extent that said claims would be justified against our contract partner or would no longer be justified solely due to the expiration of the limitation period which has occurred in the meantime. Subject to the above conditions, our contract partner shall also indemnify us from our costs for legal defence which we incur consequent to the assertion of such claims.

If and when the asserted claims are also justified against us, or are no longer justified solely due to the expiration of the limitation period which has occurred in the meantime, we have a proportionate claim to indemnification against our contract partner, the amount of which shall be determined pursuant to Section 254 BGB. The above provisions are without prejudice for our indemnification and damage compensation claims pursuant to Sections 437, 440, 478 BGB and other legal grounds.

- 10.2 Responsibility of the supplier
The supplier warrants that the products supplied conform to the latest technical specifications, and comply with the relevant safety regulations. InTiCa Systems is committed to deliver to its customers products that comply with the requirements of this agreed contract as well as generally expected quality. The supplier assures to develop, manufacture, inspect and deliver conforming materials to ensure that quality standards are fully met. To fulfill this responsibility the supplier must maintain an effective quality management system. The rapid detection of manufacturing deviations is critical to ensure that defect free product is supplied to InTiCa Systems. The responsibility of the supplier for the

Quality of the products delivered by the supplier also includes semi-finished or raw material and purchased parts, which are obtained from his subcontractors. The supplier is responsible for ensuring that the terms and conditions under this agreement are also transferred to its subcontractors. The supplier is obliged to meet 100% - delivery reliability. In the event of deviations, measures must be taken early in coordination with the InTiCa - Purchase.

10.3 Legal regulations (other standards and environmental requirements)

The supplier ensures, that the relevant laws, for example the law for technical work equipment (Equipment safety law), the telecommunications law and the Regulation of the European Communities apply directly in the supply relationship. The supplier is also obliged to comply with other standards such as VDE, DIN, ISO and CE-standards. In order to comply with all relevant regulations, the supplier must provide proof before the products are delivered. Furthermore the supplier is obliged to work within the respective valid conditions from current environmental legislation, such as packaging, the Regulation of Chemicals and Hazardous Substances. The legal requirements and limit values are minimum requirements for all integrated processes and services to be provided. Should the legal regulations change during the contract period the supplier must implement this without the need for comment from InTiCa Systems. The suppliers test results are to be made available to InTiCa Systems without delay.

11. Spare Parts

11.1 Our contract partner must ensure that spare parts can be delivered at our request for any and every part delivered to us within the course of the business relationship for a period of no less than 15 years, commencing with the final serial delivery of said part.

12. Property Rights

12.1 Our contract partner warrants that the goods/parts which he delivers do not violate any third-party rights, in particular patents, utility models or other property rights or copyrights. He shall indemnify and hold us harmless from third-party claims asserted pursuant to any violation of such rights. Furthermore, he shall assume any and all costs which we incur because third parties have asserted the violation of such rights and we have defended ourselves against the claims.

13. Moulds and Tools, Documents, Confidentiality

13.1 Models, patterns, drawings, pictures, calculations, stencils, templates and other production materials and aids which we make available to our contract partner or for which we pay remain or become our property. Our contract partner promises not to allow third parties access to such objects in any form without our express written approval. Our contract partner promises to pay to us a contract penalty in the amount of €5,000.00 for each and every incident of culpable breach of the above obligation.

Our contract partner is liable for any loss, damage or misuse of such objects or documents; moreover, upon completion and performance of an order, he shall return said objects and documents to us without waiting for specific request to do so.

13.2 The Parties mutually undertake to treat any and all commercial and technical details which become known to them in the course of the cooperation and which are not obvious as if they were their own business secrets and to maintain absolute confidentiality concerning these details with respect to third parties. The Parties promise to pay a contract penalty of €5,000.00 per incident for each and every case of culpable breach of the above obligations.

13.3 If our contract partner uses our tools/moulds to manufacture parts/goods, he shall label said tools/moulds with special identification and store them separately. We are entitled to request return of said tools/moulds from our contract partner at any time. Our contract partner cannot plead a right of retention if the counterclaims he has asserted have not been decided or recognized by us. If and when our contract partner is in possession of tools/moulds from us which he does not use for production purposes, the above provisions apply mutatis mutandis.

In any case, our contract partner is prohibited from using said tools/moulds for his own or for third-party purposes.

Our contract partner shall handle our tools with care and maintain them regularly at his expense; moreover, he shall obtain insurance of adequate scope to cover any and all risks usual in business.

14. Environment

- 14.1 Our contract partner undertakes to perform his services and deliveries in conformity with pertinent environmental provisions and standards.
- 14.2 Furthermore, our contract partner shall strive for an environment-friendly performance of his services. In particular, this includes the selection:
- of environment-friendly and recyclable items and materials;
 - of products which are low in emissions and harmful substances and which can easily be disassembled and dismantled; and
 - of procedures and products which conserve energy and resources.
- 14.3 Our contract partner promises to comply with prohibitions or the limits of the Chemical Prohibition Ordinance or the CFC Halons Prohibition Ordinance. Furthermore, our contract partner shall comply with the regulations of the VDA List 232-101 as most recently revised and the pertinent provisions concerning the use of safety data sheets in accordance with EU Directive 91-155/EEC.
- 14.4 Services and products performed by our contract partner may not generate noxious and environmentally hazardous emissions during operation or during repair and maintenance work, nor may they require noxious or environmentally hazardous operating supplies. Reasons shall be given for any and all deviations from this requirement, and said deviations require our written approval.
- 14.5 Our contract partner promises to use packaging which is in conformity with the requirements of the Packaging Ordinance.
Packaging systems for regular deliveries must always be discussed with us.

15. Place of Performance, Jurisdiction, Proper Law

- 15.1 Place of performance and of sole jurisdiction for deliveries, services and payments, including actions related to cheques and bills of exchange, as well as for any and all disputes between the Parties is Passau. However, we have the right to bring legal action against our contract partner before any other court which has jurisdiction pursuant to Sections 12 and following ZPO (Civil Procedure) as well.
- 15.2 The business relationships between the Parties are governed solely and exclusively by the laws of the Federal Republic of Germany, excluding application of international commercial law, in particular the UN CISG, and any and all other international treaties for the unification of commercial law.