

1. DEFINITIONS:

In these Terms and Conditions of Sale, Knürr GmbH is herein referred to as the "Seller" and the Buyer or person or entity purchasing goods ("Goods") and/ or licensing software and/ or firmware which are preloaded, or to be loaded into Goods ("Software") from Seller is referred to as the "Buyer." "Seller Affiliate" is herein referred to as a Knürr Group company which is an affiliate within the meaning of Section 15 AktG (German Stock Corporation Act). "Contract" means the written agreement including these Terms and Conditions of Sale, any price list or schedule, quotation, acknowledgment of Order made between Buyer and Seller for the supply and license of Goods and/ or provision of Services.

2. CONTRACT:

2.1 All orders must be in writing and are accepted subject to these Terms and Conditions. Contrary or additional terms and conditions put forward by Buyer shall not apply, unless otherwise agreed in writing by Seller. No representations, warranties, guarantees or other statements not contained in Seller's quotation or Acknowledgment of Order nor otherwise expressly agreed in writing by Seller shall be binding on Seller. The same shall apply on any oral modifications or changes of the Contract. All orders shall be subject to the written acknowledgment of Order by Seller. Seller reserves the right in its sole discretion to refuse Buyer's order.

2.2 The Contract shall become effective only upon the date of acceptance of Buyer's order on Seller's Order Acknowledgement form. If the details of the Goods or Services described in Seller's quotation differ from those set out in Seller's order acknowledgment, the latter shall apply.

2.3 No oral agreement of any kind shall have force of law. Seller reserves the right to make minor modifications and/or improvements to the Goods before delivery, provided that the performance of the Goods is not adversely affected and that neither the price nor the delivery date is affected.

3. PRICES:

3.1 Unless otherwise specified in writing by Seller, the price specified by Seller for the Goods shall remain in effect for thirty (30) days after the date of Seller's quotation.

3.2 All prices are exclusive of taxes, such as Value Added Tax and any similar and other taxes, duties, levies or other like charges arising outside Germany in connection with the sale of Goods and Service.

3.3 Prices are for Goods delivered EXW (Ex works) Seller's factory, exclusive of transportation, handling, packing and insurance. Packing material has been designed for re-use or recycling. Packing material can also be returned to Seller free house.

All price scales show net prices and shall apply exclusively to the items identified by the order number in the catalogue. The prices in the catalogues shall be subject to alteration. Special quotations shall be submitted in respect to modifications.

Prices in quotations and order acknowledgments shall be subject to adjustment in cases of material price increases.

3.4 For orders up to a value of € 250,00 the Seller shall charge a handling fee of € 80,00, for order values between € 251,00 and € 500,00 a fee of € 40,00 will be invoiced.

4. TAXES:

Any current or future tax or governmental charge (or increase in same) affecting Seller's costs of production, sale, or delivery or shipment, or which Seller is otherwise required to pay or collect in connection with the sale, purchase, delivery, storage, processing, use or consumption of Goods, shall be for Buyer's account and shall be added to the price.

5. TERMS OF PAYMENT:

5.1 Unless otherwise specified by Seller, terms for payment are net thirty (30) days from date of Seller's invoice in currency of Seller's quotation.

5.2 Seller shall have the right, among other remedies to (i) suspend further performance under this Contract and/ or other agreements with Buyer (including withholding shipment) in the event that Buyer is or if in Seller's reasonable opinion it appears that Buyer is likely to run in default of payment under the Contract or any other contract and (ii) under the same conditions require reasonable security for payment and (iii) under

the same conditions require advance payment for future deliveries and for all other confirmed orders that have not yet been delivered.

5.3 The Buyer may set off counterclaims only if recognized or non-appealable. A right of retention may be exercised by Buyer only if it concerns the same contractual relationship. All claims shall fall due with immediate effect in the event of default, financial difficulties or the initiation of bankruptcy or composition proceedings of the Buyer.

6. SHIPMENT AND DELIVERY:

6.1 While Seller will use all reasonable commercial efforts to maintain the delivery date(s) acknowledged or quoted by Seller, all delivery dates are approximate and not guaranteed. Seller reserves the right to make partial deliveries.

6.2 If delivery is delayed due to any act or omission of Buyer, or if having been notified that the Goods are ready for dispatch, Buyer fails to take delivery or provide adequate shipping instructions, Seller shall be entitled to claim for storage costs and other additional expenses and/ or to place the Goods into a suitable store at Buyer's expense. Upon placing the Goods into store, delivery shall be deemed to be complete, risk in the Goods shall pass to Buyer and Buyer shall pay Seller accordingly.

Moreover, in the event that the term of acceptance of 14 days after default of acceptance set by the Seller expires ineffectively, the Seller shall be entitled to deal with the goods otherwise and charge the resultant expenses to the Buyer.

6.3 Unless otherwise stated in the Contract, the Goods will be delivered EX Works Seller's shipping point. Risk of loss of or damage to the Goods shall pass to Buyer upon delivery. "EXW", "CIP", "CIF" and any other delivery terms used in the Contract shall be defined in accordance with the latest version of Incoterms.

6.4 Buyer shall inspect Goods delivered to it by Seller immediately upon receipt. Claims for shortfalls in quantity, for incorrect delivery, for transport damages and for obvious defects can not be made more than 5 days after delivery to Buyer.

Tolerances of dimension, weight and performance etc. shall be permissible and the Seller reserves the right to effect model changes or technical modifications. Tolerances in quantity shall be permitted in respect of items made to order (+/- 10 % up to 50 items, +/- 5 % for 51 items or more).

7. DOCUMENTATION AND SOFTWARE

Notwithstanding any other provision herein to the contrary, Seller or applicable third party licensor to Seller shall retain all rights of ownership and title in its respective Software and documentation supplied with the relevant Goods (Documentation), including without limitation all rights of ownership and title in its respective copies of such Software and Documentation. Except as otherwise provided herein, Buyer is hereby granted a non-exclusive, non-transferable royalty free license to use the Software incorporated into the Goods and Documentation solely for purposes of Buyer properly utilizing such Goods purchased from Seller. All other Software and Documentation shall be furnished to, and used by, Buyer only after execution of Seller's (or the licensor's) applicable standard license agreement, the terms of which are incorporated herein by reference.

8. RETURNED GOODS:

Except as otherwise provided with respect to warranty defects in Section 9, advance written permission to return Goods must be obtained from Seller. Such Goods must be current, unused, catalogued Goods and must be shipped, properly packed and provided with a return delivery slip, transportation prepaid, to Seller. Returns made without proper written permission will not be accepted by Seller. Permission to return Goods is subject to Seller's sole discretion. Seller reserves the right to inspect Goods prior to authorizing or accepting return.

If, with Seller's consent, goods are returned for reasons for which Seller is not responsible, the Seller shall be entitled to charge 30 % of the value of the Goods to cover the costs thereby incurred. Items made to order and modified or damaged items may not be returned.

9. LIABILITY FOR DEFECTS:

9.1 Seller warrants that the Goods manufactured by Seller or Seller's Affiliate will be free from defects in material and workmanship and meet Seller's specifications at the time of delivery under normal use and regular service and maintenance for a period of twelve months from the

date of delivery of the Goods by Seller, unless otherwise specified by Seller in writing. Seller does not warrant that the operation of the Software shall be uninterrupted or error free. If the Goods are defective upon passing of the risk and if Buyer notifies Seller thereof in writing, Seller warrants to provide subsequent performance by either, at its option, repairing the defect goods or replacing the Goods or Services by such Goods or Services which are free from defects. The Buyer shall give Seller an opportunity for this within a reasonable time period; Seller may rectify any defect several times. Seller shall be responsible for all costs incurred in connection with its subsequent performance unless such costs are incurred as a result of the Goods being taken to a place other than the place of performance.

Goods repaired or replaced during the warranty period shall be covered by the foregoing warranty for the remainder of the original warranty period from the date of delivery.

Precondition for the warranty is that the defect is a material one.

In the event of failed subsequent performance the Buyer shall be entitled to an equitable reduction in price or rescind the Contract at his choice. However, precondition for rescinding the Contract is that the Buyer shall set a final deadline for completion of Seller's obligations of at least four weeks.

Damages may only be claimed in line with Clause 10.

9.2 The warranty does not extend to any claims, losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, negligence (other than Seller's), material provided by Buyer, unauthorized modification or alteration, use beyond rated capacity, unsuitable power sources or environmental conditions, improper installation, repair, handling, maintenance or application or any other cause not the fault of Seller.

9.3 The foregoing constitutes Seller's sole warranty and Buyer's exclusive remedy for breach thereof.

10. DAMAGES:

10.1 Unless otherwise specified below, all other claims by the Buyer on whatever legal basis (in particular claims for compensation arising from violation of contractual ancillary obligations, illegal actions or other criminal liability and claims for compensation of costs with the exception of those pursuant to § 439 section 2 Civil Code) are excluded; in particular Seller shall not be liable for compensation for consequential damage, indirect damage and loss of profit.

10.2 This exclusion of liability shall not apply to damages arising from injury to life, body or health due to culpable breach of duty on Seller's part, on the part of Seller's legal representatives or a person employed in fulfilling Seller's obligations.

10.3 Furthermore, the exclusion of liability shall not apply in the event of failure to comply with warranted characteristics, liability under the Product Liability Act, in the event of a guarantee, explicitly assumed or other damage resulting from a willful or grossly negligent breach of duty on the Seller's part or a willful or grossly negligent breach of duty on the part of the Seller's legal representative or a person employed in fulfilling the Seller's obligations.

11. LIABILITY FOR PROPRIETARY RIGHTS INFRINGEMENTS

11.1 Seller warrants that upon passing the risk no patents or other proprietary rights of third parties exist which may be claimed with respect to the Goods or Services if these are used as intended. Clause 9.1 shall apply accordingly.

11.2 Seller's liability shall be excluded where a third party patent or proprietary right is infringed because Seller has adhered to a design provided by Buyer or has complied with an instruction given by Buyer, or because the Goods are used in a manner, for a purpose, in a country, or in connection with other goods or services, without this having been communicated to Seller before execution of the Contract.

11.3 During the period of Seller's warranty, Buyer has the obligation to inform Seller in writing as promptly as possible in the event that a third party claims any patent or other proprietary right or asserts any claims in or out of court with respect to the Goods or Services. Before recognising any claim advanced by a third party in or out of court, Buyer shall give Seller the opportunity to comment. At its request, Seller shall be given the authority to handle the negotiations or legal dispute with such third party at its own cost and responsibility. Buyer shall be liable to Seller for any damage sustained by it as a result of a culpable violation of said obligations.

11.4 Buyer warrants that the use of a design provided by it or compliance with an instruction given by it will not lead to Seller infringing any patents or other proprietary rights when performing its contractual obligations. Buyer agrees to indemnify and hold Seller harmless against any reasonable cost and damages incurred by Seller as a result of Buyer's breach of this warranty.

11.5 In the event the Goods are held to infringe such a patent or proprietary right in such law suit, and the use of such Goods is enjoined, or in the case of a compromise or settlement by Seller, Seller shall have the right, at its option and expense, to procure for Buyer the right to continue using such Goods, or replace them with non-infringing Goods, or modify same to become non-infringing, or grant Buyer a credit for the depreciated value of such Goods and accept return of them. In the event of the foregoing, Seller may also, at its option, cancel the agreement as to future deliveries of such Goods, without liability.

12. RESERVATION OF OWNERSHIP

The delivered goods shall remain property of the Seller until payment of the purchase price has been effected in full and until all past or future debts arising from the business relationship have been paid. Until such time the Buyer shall not have the right to pledge the goods to third parties or to transfer ownership of the goods by way of security. In the event of the goods being processed or converted by the Buyer, the Seller shall be deemed to be the manufacturers as defined in § 950 BGB (Article 950 of the German Civil Code) and shall acquire ownership of the intermediate or final products pro rata to the value of Seller's delivery. If the reserved goods are combined with another object in such a way that the reserved goods become the main constituents of that object, the Buyer shall forthwith assign to the Seller joint ownership corresponding to the proportion of the value. The Buyer shall only be the depository. He or she shall be entitled to sell the goods or the product manufactured with the goods in the proper course of business and shall hereby assign to the Seller by way of security all claims against third parties arising from the sale or other legal ground. If the purchase price claim is not assignable because of a current account agreement between the Buyer of the Seller and his or her Buyer, the outstanding balance from the current account shall replace the purchase price claim to the same value. The Buyer shall be authorized to collect these claims for the account of the Seller, provided he or she duly fulfils all payment obligations towards the Seller.

However, the Seller shall be entitled to demand that the Buyer discloses the identity of the debtor in respect of the assigned claims. The Seller shall be entitled to notify said debtor of the assignment and to issue instructions. If the Buyer fails to meet his or her payment obligations, the rights of use enjoyed by the Buyer shall be forfeited at request of the Seller and the Seller shall be entitled to demand at any time the immediate surrender of the reserved goods to the exclusion of any right of retention of the goods. Notwithstanding the payment obligations of the Buyer, the Seller shall be entitled but not obliged to realize the best possible price by private sale of the reserved goods and any accessories. After the deduction of any costs, the proceeds of the sale shall be set against the liabilities of the Buyer.

Following any delay in payment on the part of the Buyer the Seller shall be entitled to demand that the Seller's Buyer and/or his or her Buyer shall pay the amounts owed to the Seller into a trust account nominated by the Seller. The Seller shall also be entitled to require that any third-party Buyers effect payments to the Seller and that for this purpose the Buyer provides the Seller with the names of the debtors of the assigned claims and informs those Buyers of the assignment. The Buyer shall notify the Seller immediately of any recourse of third parties to delivered goods under reservation of ownership or to the assigned claims. The goods subject to reservation of ownership shall be handled with care and insured against fire and theft. Any claims against insurances shall be assigned to the Seller. The Seller shall undertake to relinquish the Seller's claim to securities, to which the Seller is entitled under the above conditions, at the Seller's option insofar as the value of such securities exceeds that of the claims to be secured by 20 %. The Seller's security interest shall not expire until all claims have been settled in full. In the event of payment by means of bill of exchange or cheque, the security interest shall not expire until the bill or cheque has been paid or honoured in full and recourse against the Seller is no longer possible.

13. FORCE MAJEURE

13.1 The Contract (other than Buyer's obligation to pay all sums due to Seller in accordance with the Agreement) shall be suspended, without liability, in the event and to the extent that its performance is prevented or delayed due to any circumstance beyond the reasonable control of the party affected, including but not limited to: Act of God, war, armed conflict or terrorist attack, riot, fire, explosion, accident, flood, sabotage; governmental decisions or actions (including but not limited to prohibition of exports or re-exports or the failure to grant or the revocation of applicable export licenses), or labour trouble, strike, lockout. Seller shall have no obligation to supply hardware, software or technology or to provide services in the absence of government permits or fulfilment of statutory conditions of exemption from such permits within the framework

of import and export control (in particular, according to the regulations applicable in the United States, the European Union and the jurisdiction in which Seller has its registered office or from which components of the Goods are supplied) and the underlying circumstances could not be foreseen by Seller and are outside of Seller's sphere of influence. In the event of revocation of issued government permits or in the event of a change in the applicable statutory import and export control regulations such that Seller is prevented from fulfilling the contract, Seller is discharged from the contractual obligation without any liability of Seller.

13.2 If either party is delayed or prevented from performance of its obligations next to reason of this Clause for more than 180 consecutive calendar days, either party may terminate the then unperformed portion of the Contract by notice in writing given to the other party, without liability provided that Buyer shall be obliged to pay the reasonable cost and expense of any work in progress and to pay for all Goods delivered and Services performed as at the date of termination.

14. COMPLIANCE WITH LAWS:

Buyer agrees that all applicable import, export control and sanctions law, regulations, orders and requirements, as they may be amended from time to time, including without limitation those of the United States, the European Union and the jurisdictions in which Seller and Buyer are established or from which items may be supplied, and the requirements of any licenses, authorizations, general licenses or license exceptions relating thereto will apply to their receipt and use. In no event shall Buyer use, transfer, release, export or re-export any such hardware, software or technology in violation of such applicable laws, regulations, orders or requirements or the requirements of any licenses, authorizations or license exceptions relating thereto. Buyer agrees furthermore that it shall not engage in any activity that would expose the Seller or any of its affiliates to a risk of penalties under laws and regulations of any relevant jurisdiction prohibiting improper payments, including but not limited to bribes, to officials of any government or of any agency, instrumentality or political subdivision thereof, to political parties or political party officials or candidates for public office, or to any employee of any Buyer or supplier. Buyer agrees to comply with all appropriate legal, ethical and compliance requirements.

15. STATUTORY AND OTHER REGULATIONS:

15.1 If Seller's obligations under the Contract shall be increased or reduced by reason of the making or amendment after the date of Seller's quotation of any mandatory law or any order, regulation or bye-law having the force of law that shall affect the performance of Seller's obligations under the Contract, the price and delivery period shall be adjusted accordingly and/or performance of the Contract suspended or terminated, as appropriate.

A price adjustment shall not be implemented if the delivery is to be carried out within 4 months after the closing of the Contract.

15.2 Except to the extent otherwise required by applicable law, Seller shall have no responsibility for the collection, treatment, recovery or disposal of (i) the Goods or any part thereof when they are deemed by law to be 'waste' or (ii) any items for which the Goods or any part thereof are replacements. If Seller is required by applicable law, including waste electrical and electronic equipment legislation, European Directive 2002/96/EC (WEEE) and related legislation in EU Member States, to dispose of 'waste' Goods or any part thereof, Buyer accepts the obligation for disposal of the delivered Goods when their use is discontinued at his own expense and according to statutory regulations. The Buyer shall release the Seller from any existing obligations pursuant to the above mentioned EU directive and/ or § 10 section 2 of the Electrical Equipment Act (duty of the manufacturer to accept returns) and associated claims by third parties. The Seller's claim to acceptance/release by the Buyer shall not expire for at least two years after discontinuation of use of the device. The two-year expiry limit shall start not earlier than receipt by the Seller of a letter from the Buyer notifying the Seller of discontinuation of use.

15.3 Buyer's personnel shall, whilst on Seller's premises, comply with Seller's applicable site regulations and Seller's reasonable instructions, including but not limited to those relating to safety, security and electrostatic discharge.

16. CANCELLATION:

Buyer may cancel or partially cancel orders only upon reasonable advance written notice and express written consent by Seller. The Buyer shall pay to Seller the Seller's cancellation charges which include, among other things, all costs and expenses incurred and, to cover commitments made, by the Seller and a reasonable profit thereon, but at least 30 % of the value of the Goods. The Buyer shall be entitled to provide proof of a lesser loss in any given case.

17. CHANGES:

Buyer may request changes or additions to the Goods and/or Software consistent with Seller's specifications and criteria. In the event such changes or additions are accepted by Seller, Seller may revise the price and dates of delivery.

Seller reserves the right to change designs and specifications for the Goods without prior notice to Buyer, except with respect to Goods being made-to-order for Buyer. Seller shall have no obligation to install or make such change in any Goods manufactured prior to the date of such change.

18. DRAWINGS:

Seller's prints, specifications and drawings (including without limitation, the underlying technology) furnished by Seller to Buyer in connection with the Contract are the property of Seller and Seller retains all rights, including without limitation, exclusive rights of use, licensing and sale. Possession of such prints or drawings does not convey to Buyer any rights or license, and Buyer shall return all copies (in whatever medium) of such prints or drawings to Seller immediately upon request therefore. Such prints and drawing may not be published, duplicated or in any other way rendered accessible to third parties without the prior written consent of Seller.

19. NUCLEAR:

Goods and Services sold hereunder are not for use in connection with any nuclear and related applications. Buyer (i) accepts goods with the foregoing understanding, (ii) agrees to communicate the same in writing to any subsequent purchasers or users and to defend, (iii) indemnify and hold harmless Seller from any claims, losses, suits, judgments and damages, including incidental and consequential damages, arising from such use, whether the cause of action be based in tort, contract or otherwise, including allegations that the Seller's liability is based on negligence or strict liability.

20. ASSIGNMENT:

Buyer shall not assign its rights or delegate its duties hereunder or any interest herein without the prior written consent of Seller, and any such assignment, without such consent, shall be void.

21. DATA STORAGE:

The Seller points out that the Buyer data shall be stored and processed DP-wise as per the Federal Data Protection Act (§ 26 BDSG) within the framework of business necessity and within the framework of permissibility.

22. GENERAL PROVISIONS:

22.1 These terms and conditions supersede all other communications, negotiations and prior oral or written statements regarding the subject matter of these terms and conditions.

22.2 No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound.

22.3 If any clause, sub-clause or other provision of the Contract is invalid, void or unenforceable under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Contract. In case a clause is deemed invalid, void or unenforceable it shall be replaced with a new provision which meets the parties' best economic interests.

22.4 Seller enters into the Contract as principal. Buyer agrees to look only to Seller for due performance of the Contract.

22.5 All typographical or clerical errors made by Seller in any quotation, acknowledgment or publication are subject to correction.

22.6 All notices and claims in connection with the Contract must be in writing.

22.7 Headings to sections and paragraphs of the Contract are for guidance only and shall not effect the interpretation thereof.

22.8 The validity, performance, and all other matters relating to the interpretation and effect of this Contract shall be governed by the laws of Germany. Buyer and Seller agree that the proper venue for all actions arising in connection herewith shall be exclusively Landshut or Stuttgart, Germany at our discretion. The U.N. Convention on Contracts for the International Sales of Goods shall not apply to this Contract.

Company name: Knürr GmbH
Company headquarters: Mariakirchener Str. 38, 94424 Arnstorf
Registry court Landshut HRB 8459

Last updated: März 2011