Terms and Conditions of Delivery and Payment of Teupen Maschinenbau GmbH



Version: June 1st, 2012

A. General information

- Our deliveries, services and offers shall be carried out and made solely in accordance with these Terms and Conditions of Business.
 - We shall not recognize contrary conditions of the Buyer, or conditions that differ from our Terms and Conditions of Business, unless we had expressly approved of their validity in writing.
 - Our Terms and Conditions of Business shall also apply if we carry out the delivery to the Buyer unconditionally and we are aware of the Buyer's contrary conditions or conditions that differ from our Terms and Conditions of Business.
 - Our Terms and Conditions of Business also apply to all future business relations as stated in the respective valid version.
- The Buyer may not assign claims lodged against us.
- 3. Agreements, use that is presumed in the contract, the assumption of procurement risks, furnishing guarantees or other assurances prior to or on the conclusion of contract shall only be deemed valid if they have been entered into in writing. Additional agreements or verbal assurances, particularly those concerning use that is presumed in the contract, the assumption of procurement risks, furnishing of guarantees or other assurances, have not been submitted by us. Those persons representing us are not authorized to make verbal changes to the pre-formulated text in the contract, make additional verbal agreements or provide .verbal assurances that go beyond the content of the written contract
- German law shall apply to this contract with the exception of the Vienna UN agreement from 11 April 1980 (CISG). The language for negotiation is deemed to be German.
- 5. The registered office of our company is deemed the place of performance for the obligations on the part of the Buyer and also for our obligations.
- 6. Gronau is deemed the place of jurisdiction for all current and future claims resulting from the business association, including claims based on a bill of exchange or a cheque if the Buyer is a merchant, a legal entity under public law or special assets of the Federal Government. This place of jurisdiction also applies if the Buyer does not have a usual place of jurisdiction in the country, if he changes his place of residence or habitual abode to an area outside the domestic territory following the conclusion of contract, or if his place of residence or habitual abode is not known at the time an action is brought.
- 7. In the event that a provision of this contract, including these General Terms and Conditions of Business, is or becomes invalid or impracticable, this shall not affect the other provisions. A different provision that is valid and/or practicable and that comes closest to the content and purpose of the invalid provision is to replace the invalid or impracticable provision.
- B. Offer, scope of delivery or service, delivery times, sub-orders, selfdelivery, passing of risk and returns and acceptance
- Our offers are non-binding and subject to change without notice. To be legally binding, acceptance declarations and all orders must be confirmed by us in writing or by fax.
 - The Buyer is bound by his offer (order) for 4 weeks as from the day of receipt of his order.
- Our written confirmation of order is deemed authoritative as regards the scope of delivery or service. In the event of an offer on our part, these General Terms and Conditions of Business are deemed authoritative insofar as they are accepted and no confirmation of order is in place.
- 3. Documents such as cost estimates, technical drawings, diagrams, measurements, weights and other service data shall only be deemed binding if this is expressly agreed upon. We reserve the right of ownership and copyright to cost estimates, technical drawings, plans and other documents (including tenders). The stated documents may only be made available to third parties following our prior, written approval. If the contract is not awarded to us, such documents are to be returned on request without delay.
- 4. We reserve the right to implement production changes or deviations as a result of technical procedures which apply to measurements, weights, colours and samples etc. as long as these are acceptable to the Buyer, i.e. in particular if these amount to alterations and/or deviations that

- maintain or improve the value of the goods. This applies accordingly to subsequent deliveries.
- 5. We are entitled to place sub-orders.
- 6. Partial deliveries, to a reasonable extent, are permitted and charged separately, so long as the interest of the Buyer can be guaranteed; in particular, the scope of delivery is not amended and the Buyer can expect to receive a delivery in parts at periodic intervals, taking into consideration the type of subject matter of delivery and its typical use.
- 7. The delivery deadline shall commence upon receipt by us of the confirmation of order that has been confirmed by the Buyer in a legally binding manner. However, it shall not commence before clarification in full of all details pertaining to the execution. Observing the delivery deadline shall be conditional on the fact that the contractual obligations on the part of the Buyer are met. The agreed delivery deadline shall be extended by the amount of time that the Buyer is in arrears with his obligations arising from this or another contract from ongoing business associations. Our rights arising from the Buyer's default shall remain unaffected. The deadline shall also be deemed met if the subject matter of delivery is dispatched or if notification of the readiness for delivery is provided at the latest on the 15th calendar day following the delivery date.
- The delivery deadline shall be extended accordingly in the case of measures within the framework of industrial disputes and also in the case of the occurrence of unforeseen obstacles which extend beyond our will (for example shortages of material, energy, manpower, transport capacity, production disruptions, disruption of traffic and decrees etc.) insofar as such obstacles are proven to have a considerable influence upon the production or the delivery or the subject matter of delivery. This also applies if the circumstances affect subcontractors or suppliers. We shall neither be responsible for the aforementioned circumstances if they occur during a delay insofar as the delay was not brought about as a result of intent or gross negligence. In important cases we shall inform the Buyer as soon as possible of the end and start of such obstacles.
- 9. In the case of a default in delivery the Buyer may withdraw from the contract following the fruitless expiry of a reasonable extension of time that has been determined by him in writing, provided that the fixing of a time is not dispensable, insofar as notification had not been provided by that time that the goods were ready for dispatch. The same applies in the case of a partial default or in the case of partial impossibility of performance. The consequences of the default in delivery or the impossibility shall be determined in accordance with Section 6.
- If the goods or the subject matter of performance are not collected by the Buyer on the agreed date, if the shipment is postponed at the Buyer's request or if the Buyer does not collect the goods or the subject matter of performance following notification that it has been earmarked, including a reminder, the Buyer shall be required to pay the costs that arise from the storage and financing, starting with the expiry of the agreed date, notification of the readiness for dispatch or the receipt of the reminder, at least, however, 0.5% of the respective net invoice amount for each started month of the delayed acceptance, at the most, however, totalling 5%, insofar as the Buyer does not furnish proof of lower costs. We expressly reserve the right to lodge a claim in the event of large amounts of damage. Following the fixing of a reasonable extension of time which expires in vain we shall be entitled to otherwise dispose of the subject matter of delivery and to supply the Buyer with a different subject matter of delivery subject to an appropriately extended deadline. The aforementioned provisions shall apply accordingly in the case of additional or subsequent orders which result in a default in delivery of the subject matter of delivery.
- 11. The risks (transportation and compensation risk) shall pass to the Buyer upon the handover of the subject matter of delivery to the Buyer, forwarding agent, carrier or person or agency otherwise entrusted with the shipping also in the case of own vehicles also in the case of FOB or CIF transactions and also in the case of free delivery. We shall make arrangements for the shipping, selection of the means of transport and the transport route as well as the appropriate packaging with due care. See Section 6. We are authorised to provide transportation insurance but are not obligated to do so. The Buyer shall bear these costs.

- 12. Delivered items are to be accepted by the Buyer even if they contain minor faults and irrespective of his rights stated in Section 5.
- 13. The Buyer is under obligation at our request to declare within a reasonable period of time whether he will withdraw from the contract as a result of the default in delivery, or whether he insists that the delivery be carried out.
- 14. Returns as a result of possible delayed deliveries, complaints or returns due to other reasons may only be taken back following prior consultation with us. We shall not accept returns that have not been authorised.
- 15. If the shipping is delayed as a result of circumstances which are the Buyer's responsibility, the risk shall pass to the Buyer as from the day on which the goods are ready for dispatch. However, we are under obligation at the Buyer's request and on his account to take out the insurance policies demanded by the Buyer. In accordance with section B.10 above, we are entitled to store the subject matter of delivery at the Buyer's cost and at our discretion and demand immediate payment of the price, or in the case of delivery on credit to count the delivery time towards the term of credit.
- 16. If an inspection and acceptance on the part of the Buyer or his representative have been separately agreed upon, these must be carried out in good time at our plant prior to shipping. The costs shall be borne by the Buyer.

C. Prices and terms and conditions of payment

- In the absence of a separate agreement, the prices are deemed valid ex plant/warehouse and are deemed to exclude loading and packaging. The respective statutory sales tax shall be added to the prices.
 - Our general Terms and Conditions of Payment in their applicable version at the time the contract is concluded are binding for the Buyer. He may only discharge debts by way of payments effected to us.
- Reductions and trade discounts or other deductions that may be agreed upon shall only be deemed valid in the event that all contracts between the Buyer and us that are pending upon the conclusion of contract, or are in part not honoured, are performed in an orderly manner.
- Cheques or bills of exchange shall only be accepted in the case of an agreement and at all times on account of payment. Expenses shall at all times be borne by the Buyer and fall due for payment immediately. The value-added tax also falls due immediately.
- Our representatives and other employees are not entitled to accept payments or are authorised regarding other provisions without a written collection authorisation.
- The retention of payments or the setting off of counter-claims of the Buyer is not permitted unless the counter-claims are undisputed or have become res judicata.
- 6. Insofar as nothing to the contrary has been agreed upon in writing, the counter performance is to be rendered in cash in the Federal Republic of Germany in the form of a currency that is recognised as legal tender and without any deduction. It shall fall due in full within five days following notification of the readiness of dispatch.
- In the case of default we shall be entitled to charge statutory interest rates. We reserve the right to lodge a claim for additional damage in the case of default.
 - In the case of default all additional claims for payment resulting from other deliveries or services as regards dealings with the Buyer shall immediately fall due for payment irrespective of possible agreements regarding due dates or deferment of payment.
- 8. In the event that the Terms and Conditions of Delivery and Payment are not met or if following conclusion of the contract we become aware that the claim for payment is in jeopardy as a result of insufficient productivity on the part of the Buyer, we shall be entitled to make outstanding deliveries and services conditional on advance payments or the provision of securities. If the Buyer does not comply with the request for advance payments and/or the provision of securities, after 14 days we are entitled to withdraw from the contract subject to claims for damages.
- 9. If in the period between conclusion of the contract and the day of delivery, there is an increase in one or more of the following factors, such as energy costs and/or costs for raw materials and/or primary material and/or auxiliary and operating materials, we are entitled to modify the prices by the same amount as the increase in the procurement or manufacturing costs for the subject matter of contract. However, the reduction in costs resulting in the same time period for the factors mentioned in sentence 1 will be deducted.
- 10. In the event of a price increase according to sentence 1, we shall present cost increases and reductions according to the type and amount. In case that the price increase exceeds 5 % of the initially agreed upon price the Buyer has the right to withdraw from the contract.

D. Reservation of title

- We reserve the right to the ownership of the subject matter of delivery (reserved goods) up to payment in full. Furthermore, we reserve the right to ownership of the delivered goods until all claims for payment lodged against the Buyer have been honoured to which we are entitled, or shall be entitled in the future, on the basis of any legal grounds and which arise from the business association, including possible refinancing and returned bills. Payments that are effected by way of forwarding a promissory note of the Buyer that has been issued by us shall only constitute payment if the bill of exchange has been cashed by the payee and we are therefore released from the liability on a bill of exchange. The reservation of title is not affected by the discontinuation of individual claims for payment in a current invoice or the casting of accounts and recognition of same. The Buyer undertakes to handle the reserved goods responsibly; in particular, he must, at his own cost, insure these goods appropriately and sufficiently at their replacement value against fire and water damage as well as theft. If maintenance and inspection work is required, the Buyer must regularly carry out this work at his own cost. The Buyer must report any damage or loss of goods without delay.
- The treatment or processing of the reserved goods shall be carried out on our behalf in the capacity of manufacturer within the meaning of § 950 of BGB [German civil code] without placing us under obligation. The treated or processed goods are deemed reserved goods within the meaning of Section D.1. In the case of processing, blending and mixing the reserved goods with other goods that are not our property by the Buyer, we shall be entitled to co-ownership of the new material in the proportion of the invoice amount of the reserved goods to those of the otherwise used goods. If our ownership expires as a result of blending or mixing, the Buyer shall with immediate effect assign to us the industrial proprietary rights to which he is entitled regarding the new stock and the material that corresponds with the invoice amount of the reserved goods, and he shall store same gratuitously for us. Our co-ownership rights apply to the reserved goods within the meaning of Section D.1.
- 3. The Buyer may only sell the reserved goods during the ordinary course of business at home subject to conditions in line with customary practice in this line of business, and as long as he has not defaulted, provided that the claims for payment resulting from the resale pass to us pursuant to Sections D.4 to D.6. He is not entitled to otherwise dispose of the reserved goods. In other respects the Buyer is to refrain from any disposal in particular transfer of title, pledging and transfer of possession subject to advance sales of the subject matter of delivery or the newly created materials as long as we are the sole owners or co-owners of such objects. He is to ensure that the storage is safe and proper, and he is to take out an insurance policy at his own cost against theft, fire and other material damage. We may at any time convince ourselves that the obligations are being met and request that the Buyer furnish the necessary proof.
- Claims for payment from the resale of the reserved goods are assigned to us with immediate effect. They serve the purpose of securing our claims for payment to the same extent as the reserved goods pursuant to Section 4.1. If the reserved goods are sold by the Buyer together with other goods that have not been sold by us, the claim for payment resulting from the resale shall be assigned in the proportion of the invoice amount of reserved goods to those of the otherwise used goods. In the case of the sale of the goods, of which we are co-owners in accordance with § 4.2, an appropriate part shall be assigned to us in accordance with our co-ownership share. If the reserved goods are used by the Buyer to perform a service contract, the demand for payment from the service contract shall be assigned to us at the same amount in advance. We hereby accept the aforementioned assignments. If the Buyer has sold the demand for payment within the framework of non-recourse factoring, he shall assign to us the demand for payment against the factor that has taken its place. We hereby accept this assignment.
- 5. The Buyer is entitled to collect demands for payment resulting from the resale. This authority to collect shall expire in the event that it is revoked by us. We shall only make use of our powers of revocation if we become aware of circumstances which result in a considerable deterioration in the Buyer's financial situation that jeopardises our claim for payment, in particular in the case of default in payment, the non-payment of a bill of exchange of cheque or an application filed for the institution of insolvency proceedings. At our request the Buyer shall be under obligation to inform his customers immediately of the assignment to us, and to provide us with the documents required for collection.
- If the contractual provisions of the third-party debtor with the Buyer contain an effective restriction of the assignment authority, or the third party makes the assignment conditional on his approval, we are to be

informed of this in writing without delay. In such a case we are hereby irrevocably authorised to collect the demand for payment to which we are entitled in the name and on the account of the Buyer. At the same time the Buyer hereby issues the thirdparty debtor with an irrevocable transfer order in our favour. The Buyer is to inform us without delay of any seizure or other detrimental effects by third parties. The Buyer shall carry all costs that are necessary to reverse the seizure or return transport of the reserved goods insofar as these are not replaced by third parties.

- 7. If the realisable value of the securities in place on our behalf exceeds all our demands for payment by more than 20%, we shall be under obligation at the Buyer's request, or that of a damaged third party as a result of our over-securing, insofar to release securities at our discretion.
- 8. In the event that the Buyer breaches obligations, in particular in the case of default in payment, we shall be entitled to withdraw and take-back following the fruitless expiry of a reasonable extension of time that has been set for the Buyer to perform irrespective of further claims for damages. This shall not affect the statutory provisions pertaining to the dispensable nature of fixing a time limit. The Buyer shall be under obligation to surrender and assign claims for restitution. We shall be entitled to gain access to the Buyer's business unit for the purpose of taking back the reserved goods. The same applies if other circumstances occur which point to a considerable deterioration in the Buyer's financial situation and jeopardise our claim for payment. A credit in the sum of the former invoice amount minus a flat-rate figure of 10% for each started month as from the delivery up to the take-back shall be issued for the goods that are taken back. We are entitled to furnish proof of greater damage while the Buyer is entitled to furnish proof of lesser damage.

E. Material defects and defects of title

- 1. Documents or information on the subject matter of delivery or performance for the purpose of use (e.g. technical drawings, diagrams, measurements, weights, second-hand values and other performance figures) irrespective of whether or not these have been expressly agreed upon in writing, shall merely constitute descriptions or identifications and no guarantees, warranted characteristics, use that is conditional on the contract and the like, and are to be considered as approximate. We reserve the right to make deviations that are customary in this line of business insofar as this is acceptable to the Buyer, i.e. in particular if this maintains or improves the value of the goods. Our drivers or outside drivers are not authorised to accept notification of defects. In any case notification of defects is excluded following treating or processing insofar as the defect was capable of being detected during the inspection while the goods are in the process of being delivered.
- 2. The Buyer is to inspect the goods without delay following receipt as long as they are in the process of being delivered, or he is to inspect the goods thoroughly in the case of collection and provide written notification without delay of defects, otherwise he forfeits the right to lodge a claim in relation to the rights arising from a defect. The notification period does not apply to a hidden defect. The faulty items are to be kept for inspection by us in the condition they were in at the point the defect was discovered. Excess and short weights/deliveries within the limits that are customary in this line of business shall not constitute an entitlement to lodge complaints and reduce prices.
- Rights regarding material defects shall be subject to the statute of limitations in 12 months pursuant to the following Section insofar as the matter in question amounts to newly created materials or services. This does not apply, insofar as the law according to § 438 Paragraph 1 no. 2 (Construction and Items for Construction), § 479 Paragraph 1 (Right of recourse) and § 634 a Paragraph 1 no. 2 (Defects in Construction) of the BGB (German Civil Code) stipulates longer time limits. In the case of the delivery of used goods any kind of rights for material defects are excluded - subject to statutory provisions and other agreements. The reduced statute of limitations and the exclusion of liability shall not apply in cases of intent or gross negligent danger to life and limb, in the case of a breach of an obligation that is caused as a result of intent or gross negligence, in the case of the fraudulent concealment of a defect, in the case of a relevant warranty regarding condition or in the case of claims in accordance with the German Product Liability Law. The legal regulations concerning the start, course, stoppage and restart of periods of limitation remain unaffected, unless otherwise agreed.

Insofar as the newly manufactured material has been used for 2000 operating hours or more in less than 12 months within the meaning of the aforementioned sentence 1, the claims for material defects shall expire following 2000 operating hours.

The course of the warranty period is interrupted during subsequent performance. In addition, the execution of warranty work does not cause

- an extension of the warranty, provided that no special circumstances arise that cause the limitation period to be restarted. As a precaution, equipment parts are also regularly replaced only to remedy suspected defects and without acknowledgement of the warranty claim in any other way under § 212 Paragraph 1 no. 1 of BGB.
- In the case of material defects we are initially to be granted the opportunity to subsequently perform within a reasonable period of time at our discretion either by way of remedying the defect or by delivering a defect-free item. In the latter case the Buyer shall be under obligation to return the faulty item at our request in accordance with the statutory provisions. If the subsequent delivery does not materialise, if we ultimately and seriously refuse to make the subsequent delivery, if we can refuse the subsequent delivery in accordance with § 439, Section 3 of BGB, if the subsequent delivery is unacceptable to the Buyer or there is a case of § 323 Paragraph 2 of BGB, the Buyer can withdraw from the contract or reduce the counter performance—irrespective of possible claims for damages in accordance with Section 6. Following agreement, the Buyer shall allow us the required time and opportunity to ensure the execution of all necessary repairs and replacements in accordance with appropriate discretion, otherwise we are released from the liability for defects. Only in urgent cases regarding danger and operational safety and to fend off disproportionately large cases of damage, of which we are to be informed immediately or in the event that we have defaulted on the rectification of a defect, shall the Buyer have the right to rectify the defect himself or have it rectified by a third party and demand that we reimburse the necessary costs
- 5. Warranty rights shall not apply in the case of merely insignificant deviations from the agreed characteristics, in the case of merely an insignificant detrimental effect on the practicability, in the case of natural wear and tear or damage which occurs following the passing of risk as a result of faulty or slipshod treatment or storage, excessive use, unsuitable production equipment and facilities, faulty construction work, unsuitable building land or such warranty claims that arise as a result of particular external influences which are not presumed in accordance with the contract, and also in the case of software errors for which the software cannot be reproduced. If improper alterations or maintenance work is carried out by the Buyer or a third party, no warranty rights shall apply to these and to the consequences of such action.
- 6. The right of recourse on the part of the Buyer against us pursuant to § 478 of BGB (recourse on the part of the contractor) shall only apply insofar as the Buyer has not entered into any agreements with his customer that extend beyond the statutory warranty claims. The scope of the Buyer's right of recourse against us in accordance with § 478 Paragraph 1 applies to section E.7 below.
- 7. Claims on the part of the Buyer for costs incurred for the purpose of a subsequent performance shall cover the spare and replacement parts necessary for rectifying the defect, the freight costs of normal standard freight routes and systems as well as customs costs and other import taxes that may apply for which the Buyer is to furnish proof. Further costs, in particular regarding labour and travelling costs shall not be assumed insofar as they are not included in the freight costs, insofar as no other special regulations have been agreed.
- In other respects Section 6 applies to claims for damages. Furtherreaching claims or claims lodged against us or our vicarious agents by the Buyer other than those provided for in this Section as a result of a material defect are excluded.
- Complaints regarding partial deliveries shall not constitute an entitlement to refuse outstanding deliveries unless the Buyer is not interested in the latter as a result of faults concerning the partial deliveries.
- 10. We shall not accept any liability for warranty claims in that the subject matter of delivery complies with regulations outside the territory of the Federal Republic of Germany which extend beyond the German regulations.
- 11. The provisions in Sections E.1 to E.10 shall apply accordingly in the event that defects in title are given.

- F. Claims on the part of the Buyer in the case of default in delivery, impossibility and other breaches of obligations as well as limitation of liability
- Any claim for damages lodged by the Buyer as a result of a default in delivery, impossibility of delivery or due to other legal reasons, in particular as a result of a breach of obligations from the contractual relationship and from unlawful acts are excluded insofar as anything to the contrary does not arise from the Sections F.2 to F.8. This applies not only to claims for damages but also to compensation for expenses on the part of the Buyer.
- 2. The foregoing exemption from liability does not apply

a) in cases of intent or gross negligence, b) to cases of a danger to life and limb which are based on a negligent breach of an obligation by us or a wilful or negligent breach of an obligation by one of our legal representatives or one of our vicarious agents, c) In accordance with German Product Liability Law d) in accordance with other mandatory legal provisions or e) as a result of a violation of key contractual obligations which is our responsibility.

However, a claim for damages regarding a violation of key contractual obligations is restricted to cases of direct damage that are customary in such contracts and foreseeable insofar as intent or gross negligence is not given, or liability is given as a result of negligent or wilful danger to life and limb. Fundamental contract obligations are obligations which when implemented generally enable the appropriate execution of the contract and assure that the Buyer regularly complies with the contract.

The aforementioned regulations do not constitute an alteration to the statutory burden of proof to the detriment of the Buyer.

- 3. Liability in cases of damage that are customary in such contracts and which are foreseeable is, subject to the permissibility of a limitation of liability, restricted to the standard net price of the individual subject matter of contract in which case the delivery or non-delivery of such a subject matter of contract results in claims on the part of the Buyer.
- The personal liability of our representatives, vicarious agents and employees for damage caused by you as a result of slight negligence is excluded, insofar as this does not represent damage to life, limb or health.
- 5. Insofar as the Buyer is entitled to claims for damages or compensation of expenses as a result of defects in accordance with the aforementioned Sections F.1 to F.4, these shall fall under the statutes of limitation upon expiry of the periods of limitation that apply to claims regarding defects of quality in accordance with the aforementioned Section E.3. The statutory limitations provisions are deemed applicable in the case of claims for damages in accordance with the German Product Liability Act.
- 6. The aforementioned liability exemptions or limitations shall not apply insofar as a more stringent liability is provided for in the contract or same can be derived from the other content of the contractual obligation, in particular as regards furnishing a guarantee or assuming a supply risk.
- 7. The Buyer may not demand claims for damages instead of the performance if the breach of an obligation on our part is insignificant.
- 8. Irrespective of the aforementioned restrictions, this shall not affect an existing legal right of the Buyer that may apply to withdraw from the contract. In the case of breaches or violations which do not consist of a defect in the goods it shall, however, be necessary that we hold responsibility for such a breach of an obligation.

G. Setting up and commissioning

The setting up and commissioning of the subject matter of delivery are the concern of the Buyer or the ultimate user by way of compliance with our regulations, the statutory provisions and by way of observing the level of technology. However, we are entitled to assume the setting up and commissioning on request. In such a case we shall charge our daily rates for fitters, hand tools and accessories including travelling and transport costs. The Buyer or the ultimate user is under obligation to undertake all the necessary measures at the site on which the goods are to be set up, in particular to carry out construction work in good time and in a proper manner.

H. Safety devices

- 1. The Buyer is under obligation to acquaint himself with all the additional safety devices that may be stipulated by the pertinent authorities and institutions, and to either install these at his own cost or make arrangements with the ultimate user as regards installing such devices. Furthermore, he is under obligation to procure all the necessary licences from the pertinent authorities and institutions.
- We accept no liability for lacking or inadequate additional safety devices.

I. Unlawful exports

- In the case of the export by the Buyer or the ultimate user of the subject matter of contract, such a person shall be liable as regards complying with the regulations of the country of destination which extend beyond the German regulations.
- Exports to the United States of America or Canada are not permitted with the exception that we expressly agree to such exports.
- In the case of the resale of the subject matter of contract, the Buyer undertakes to accordingly place the recipient under obligation too.
- 4. If the aforementioned Sections I.1 to I.3 are breached, a contractual penalty in the sum of 15% of the price invoiced by us shall fall due, including the sales tax. We reserve the right to lodge a claim for further damage.

J. Trademarks and advertising

- The Buyer may only use and sell the subject matter of contract with the trademarks and the other markings that refer to the manufacturer with which it has been delivered by us.
- 2. The Buyer is responsible for the integrity of his advertising.

K. Right of the supplier to withdraw

The contract shall be amended accordingly in the case of unforeseen circumstances within the meaning of Section 2.8 of these provisions, insofar as they considerably change the economic significance or the content of the performance or considerably affect our operations, and in the case of an impossibility of performance that subsequently becomes evident. Insofar as this is not economically justifiable, we shall be entitled to either wholly or partially withdraw from the contract. In other respects Section 6 is deemed applicable as regards claims for damages on the part of the Buyer. If we intend to make use of the right to withdraw, we are to inform the Buyer of this without delay once we have gained knowledge of the implications of an occurrence and even if an extension of the delivery deadline had initially been agreed upon.

L. Miscellaneous

- Oral subsidiary agreements to this contract are not valid. Every change to or amendment of this agreement must be made in writing.
- If one or several of the provisions of this agreement should be or become invalid for whatever reason, the effectiveness of the remaining stipulations shall not be affected.

Teupen Maschinenbau GmbH

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