

**GENERAL TERMS AND CONDITIONS
OF
TEKNOR GERMANY GMBH**

1. DEFINITIONS AND INTERPRETATION

1.1 In these Conditions, unless the context requires otherwise:

“**Agreement**” means the agreement regarding the sale, purchase and delivery of the Goods arising out of TEKNOR GERMANY’s acceptance of an Order;

“**BGB**” means the German Civil Code (*Bürgerliches Gesetzbuch*);

“**Buyer**” means the person, firm or company whose Order for the Goods is accepted by TEKNOR GERMANY;

“**Conditions**” means these conditions of sale;

“**Good(s)**” means the good(s) (including any instalment thereof) to be delivered by or on behalf of TEKNOR GERMANY;

“**HGB**” means the German Commercial Code (*Handelsgesetzbuch*);

“**Incoterms**” means the International Commercial Terms published by the International Chamber of Commerce as in force at the date when any Agreement is made;

“**Order**” means an order placed with TEKNOR GERMANY for the purchase of the Goods;

“**Relevant Laws**” means all laws, statutes, statutory provisions, rules, guidelines or regulations in force at any relevant time; and

“**TEKNOR GERMANY**” means Teknor Germany GmbH with its seat in Adelshofen and registered with the commercial register of the local court (*Amtsgericht*) in Ansbach under HRB 6312.

1.2 In these Conditions the singular includes the plural and vice versa and any gender includes any other gender.

1.3 Headings in these Conditions are for ease of reference only and will not affect interpretation.

1.4 If a provision of these Conditions provides for written form, this shall also include text form.

2. BASIS OF THE SALE

2.1 These Conditions govern the offering, sale and delivery of Goods from or on behalf of TEKNOR GERMANY to the Buyer and are deemed to be incorporated into every Agreement with the Buyer.

2.2 These Conditions shall apply exclusively. Differing or contrary terms and conditions shall not apply, except if expressly agreed upon in writing by TEKNOR GERMANY. Failure of TEKNOR GERMANY to object to terms and conditions set by the Buyer shall in no event be construed as an acceptance of any terms and conditions of the Buyer. Neither TEKNOR GERMANY’s commencement of performance nor TEKNOR GERMANY’s delivery shall be deemed or constituted as acceptance of any of the Buyer’s terms and conditions.

If these Conditions differ from any terms and conditions of the Buyer, these Conditions and any subsequent communication or conduct by or on behalf of TEKNOR GERMANY, including, without limitation, confirmation of an Order (*Auftragsbestätigung*) and delivery of Goods, constitutes a counter-offer and not acceptance of such terms and conditions submitted by the Buyer.

- 2.3 These Conditions may only be amended or waived by a duly executed written agreement between TEKNOR GERMANY and the Buyer.
- 2.4 By contracting on the basis of these Conditions, the Buyer agrees to the applicability thereof in respect of future dealings, even if this is not expressly stated. TEKNOR GERMANY shall be entitled to amend and/or replace these Conditions. By and as of the moment of (i) informing the Buyer that the amended or replaced Conditions may be accessed via TEKNOR GERMANY's homepage or (ii) receipt of a copy of the amended or replaced Conditions by the Buyer those shall apply to all dealings between TEKNOR GERMANY and the Buyer.

3. QUOTATIONS, ORDERS AND SPECIFICATIONS

- 3.1 Price quotations and cost estimates made by TEKNOR GERMANY in whatever form, are not binding upon TEKNOR GERMANY and merely constitute an invitation to the Buyer to place an Order (*invitatio ad offerendum*). Orders are not binding until accepted by TEKNOR GERMANY in writing. TEKNOR GERMANY is always entitled to refuse an Order without indication of its reasons.
- 3.2 Oral statements and agreements made by TEKNOR GERMANY's employees, managing directors, representatives and/or sales agents/agents are not binding upon TEKNOR GERMANY unless and only to the extent that such oral statements or agreements are confirmed or made in writing by duly authorized representative(s) of TEKNOR GERMANY.
- 3.3 An Order must set out the description of the Goods, the quantity being ordered, any changes required by the Buyer to TEKNOR GERMANY's specification/product data sheets (which must be agreed by TEKNOR GERMANY in accordance with Clause 3.4), the delivery address, any special delivery instructions, Buyers Order number and such other information as TEKNOR GERMANY may reasonably require to perform the Agreement. The Buyer is responsible for ensuring the accuracy of any Order.
- 3.4 Subject to Clause 3.5, the properties of the Goods shall be as shown on TEKNOR GERMANY's typical specification/product data sheets (*standardmäßig verwendete Spezifikations-/Produktdatenblätter*, which are normally based on internationally recognised tests or TEKNOR GERMANY's tests), which may not be appropriate for or reflect the Buyer's intended application or usage of the Goods. It is the Buyer's sole responsibility to ensure that the Goods are suitable for the Buyer's application and/or usage (including carrying out its own tests for this purpose). Any changes to TEKNOR GERMANY's typical specification/product data sheets must be agreed in writing by TEKNOR GERMANY.
- 3.5 TEKNOR GERMANY reserves the right, without prior notice, to make any changes in the properties of the Goods and the typical specification/product data sheets of TEKNOR GERMANY which are required to conform with any Relevant Laws or which do not materially affect the quality or performance of the Goods.
- 3.6 If the Goods are to be manufactured or any process is to be applied to the Goods or any packaging is to be given to the Goods by TEKNOR GERMANY in accordance with any specification/product data sheets or amendments to specification/product data sheets, materials,

packaging or designs submitted by or requested by the Buyer, then the Buyer by entering into an Agreement licenses TEKNOR GERMANY to use such specification/product data sheets or amendments to specification/product data sheets, materials, packaging and designs for the purpose of manufacturing and selling the Goods. The Buyer will indemnify TEKNOR GERMANY against all loss, liability, damages, costs and expenses incurred by TEKNOR GERMANY or agreed to be paid by TEKNOR GERMANY in settlement of any claim for royalties or infringement of any industrial or intellectual property rights or other rights of any other person/entity which (directly or indirectly) results from the use of such license.

4. TERMINATION BY THE BUYER PRIOR TO DELIVERY

The Buyer may only terminate an Agreement prior to the delivery of the Goods with the agreement in writing of TEKNOR GERMANY and on terms that the Buyer indemnifies TEKNOR GERMANY in full against all loss (including loss of profits), liability, charges, damages, costs and expenses incurred by TEKNOR GERMANY as a result of such termination. A freely exercisable termination right of the Buyer, in particular according to Secs. 650, 648 BGB, is excluded.

5. PRICES

- 5.1 Subject to Clause 5.2, the price of the Goods will be the price agreed with the Buyer at the time of acceptance of the Order in accordance with Clause 3.1. Where prices are quoted by TEKNOR GERMANY they are valid for thirty (30) days only, unless expressly stated otherwise or until earlier acceptance by TEKNOR GERMANY of an Order regarding the Goods based on different prices, after which time they may be altered by TEKNOR GERMANY without giving notice to the Buyer.
- 5.2 If delivery shall take place more than three (3) months after conclusion of the Agreement (*langfristige Lieferung*), TEKNOR GERMANY reserves the right to increase the agreed prices. TEKNOR GERMANY will inform the Buyer promptly about such a price increase. In this case, the Buyer is entitled to withdraw from the Agreement within a period of fourteen (14) days from receipt of the notification. Any withdrawal must be made in writing to TEKNOR GERMANY. If the Buyer does not exercise his right of withdrawal in due time, the increased prices shall be deemed agreed.
- 5.3 Subject to Clause 5.4 and unless otherwise advised by TEKNOR GERMANY, all prices are inclusive of charges for transport and packaging but exclusive of any applicable value added tax or any other similar applicable taxes, duties, levies or charges in any jurisdiction levied in relation to the Goods or the delivery thereof, which the Buyer shall be additionally liable to pay.
- 5.4 The cost of pallets and containers will be charged to the Buyer in addition to the price of the Goods, except if agreed otherwise in writing between TEKNOR GERMANY and the Buyer.

6. PAYMENT

- 6.1 The Buyer will pay the price of the Goods within thirty (30) days of the date of invoice or within such other timeframe as agreed with the Buyer.
- 6.2 The Purchaser shall only have an offset right (*Aufrechnungsrecht*) or a right of retention (*Zurückbehaltungsrecht*), if its claim has been legally established (*rechtskräftig festgestellt*) or is

undisputed. In case of defects the counter-claims of the Buyer, in particular according to Clause 10.6 sentence 2 shall remain unaffected.

6.3 If the Buyer fails to pay any sum due to TEKNOR GERMANY on the due date, the Buyer will be automatically in default (*Verzug*) and, without prejudice to any other rights, TEKNOR GERMANY will be entitled to:

- 6.3.1 charge the applicable statutory default interest on the payments in default, unless any higher interest rate has been agreed upon. The right to claim any further default-induced loss remains reserved. Claims for interest pursuant to Sec. 353 HGB vis-à-vis merchants shall not be affected;
- 6.3.2 suspend or terminate any Agreement with the Buyer or suspend any further deliveries to the Buyer; and
- 6.3.3 appropriate any payment made by the Buyer to such of the Goods (or other Goods delivered under any Agreement) at TEKNOR GERMANY's choice, except if the Buyer explicitly appropriated certain payments to specific Goods.

7. DELIVERY AND ACCEPTANCE

7.1 Unless otherwise agreed by TEKNOR GERMANY, TEKNOR GERMANY will deliver the Goods to the delivery address shown on the Order or otherwise expressly provided to TEKNOR GERMANY by the Buyer.

7.2 TEKNOR GERMANY will use all reasonable endeavours to ensure that the delivery dates agreed with the Buyer are met. The Goods may be delivered by TEKNOR GERMANY in advance of the delivery date upon giving notice to the Buyer a reasonable lead time ahead.

7.3 The Buyer shall take delivery of the Goods notwithstanding that the quantity so delivered shall be either greater or less than the quantity purchased, provided that:

- 7.3.1 such discrepancy in quantity shall not exceed ten percent (10%); and
- 7.3.2 the price to be paid under Clause 5 shall be adjusted pro rata to the discrepancy.

7.4 If the Buyer fails to give TEKNOR GERMANY adequate delivery instructions or fails to take delivery of the Goods notwithstanding any previous notification of the expected delivery date/delivery period, TEKNOR GERMANY will be entitled to:

- 7.4.1 store the Goods until actual delivery and render an invoice to the Buyer for the full amount of the price plus any additional expenses incurred by TEKNOR GERMANY in handling and storing the Goods; or
- 7.4.2 mitigate its loss by selling or disposing of the Goods (where possible) and recovering any shortfall in the sale price (agreed with the Buyer) from the Buyer.

7.5 Where TEKNOR GERMANY ships the Goods then, in case of non-delivery of the whole consignment claims must be submitted in writing to both the carrier and TEKNOR GERMANY within seven (7) days of the expected delivery date. In the absence of claims within this time limit the Goods shall be deemed to have been properly delivered.

7.6 The Buyer is responsible for providing adequate labor and facilities at the delivery points for unloading the Goods ordered by the Buyer and shall keep TEKNOR GERMANY indemnified against all claims however arising from such unloading operations.

8. TRANSFER OF RISK AND TITLE TO GOODS

8.1 Risk of accidental deterioration (*zufällige Verschlechterung*) and accidental loss (*zufälliger Untergang*) of any Goods or part or instalment of the Goods will pass to the Buyer:

- 8.1.1 if TEKNOR GERMANY shall deliver the Goods in accordance with Clause 7.1, upon the relevant Goods being delivered at the delivery address shown on the Order or the address otherwise expressly provided by the Buyer to TEKNOR GERMANY or, in the event that the Buyer fails to take delivery at such address, at the time delivery is tendered by TEKNOR GERMANY at such address; or
- 8.1.2 if the Buyer is to collect the Goods, upon the relevant Goods being handed out by TEKNOR GERMANY to the Buyer or to the carrier (commissioned by the Buyer) at TEKNOR GERMANY's premises or,
- 8.1.3 in the event that such Goods are not collected by the Buyer or the carrier (commissioned by the Buyer) on the collection date, at the time collection is tendered by TEKNOR GERMANY on its premises.

8.2 The Buyer shall be responsible for insuring the Goods against all commercial risks (including damage by fire and water) to their full value from the time risk passes (*Gefahrenübergang*) to the Buyer.

8.3 Notwithstanding delivery and passing of risk, the title to any Goods will not pass to the Buyer and will remain at TEKNOR GERMANY until payment in full and of all sums payable by the Buyer to TEKNOR GERMANY in accordance with the Agreement (*Eigentumsvorbehalt*) and, further, until all other outstanding debts arising out of Buyer's business relationship with TEKNOR GERMANY have been completely settled (*erweiterter Eigentumsvorbehalt*).

8.4 In the event the Buyer processes (*Verarbeitung, Umbildung*) the Goods, TEKNOR GERMANY shall be considered manufacturer within the meaning of Section 950 BGB and shall directly acquire the sole title to the newly produced goods. If the processing involves other materials than TEKNOR GERMANY's Goods, TEKNOR GERMANY shall directly acquire joint title (*Miteigentum*) to the newly produced goods in the proportion of the invoice value of the goods delivered by TEKNOR GERMANY to the invoice value of the other materials (*verlängerter Eigentumsvorbehalt*).

8.5 Until the title to the Goods passes to the Buyer, the Buyer may resell or process the Goods subject to the above retention of title in the ordinary course of its business. The Buyer hereby assigns all his claims arising out of such resale as a whole or in the amount of the joint title, respectively, irrespective of whether the Goods have been processed or not, to TEKNOR GERMANY as collateral. TEKNOR GERMANY hereby accepts such assignment. Notwithstanding TEKNOR GERMANY's right to claim direct payment, the Buyer shall be entitled to receive the payment on the assigned claims.

8.6 If the realizable value of all collateral provided (*der realisierbare Wert der Sicherheiten*) exceeds TEKNOR GERMANY's claims by more than 10% TEKNOR GERMANY will upon request of the Buyer release collateral at its choice.

8.7 Until the title to the Goods passes to the Buyer or the time at which the Goods are incorporated with other goods, the Buyer shall hold the goods separate from those of the Buyer and properly stored, protected, insured and identified as TEKNOR GERMANY's property.

8.8 Until such time as title in the Goods passes, and provided that the Goods have not been resold or incorporated with other goods, TEKNOR GERMANY reserves the right to require the Buyer to

return the Goods and, if the Buyer fails to do so, TEKNOR GERMANY shall have the right to enter any premises where it reasonably believes any item of the Goods to be located, for the purpose of recovering and taking possession of the Goods.

9. BUYER OBLIGATIONS

- 9.1 The Buyer undertakes at all times to comply in the storage, use and sale of the Goods with Relevant Laws and recommended health and safety guidelines in force at any time and with any requirements of TEKNOR GERMANY from time to time and not to sell or use any Goods after the end of the usable life of the Goods.
- 9.2 The Buyer acknowledges that irrespective of whether the Buyer's packaging or labels are to be applied to the Goods that TEKNOR GERMANY reserves the right to apply its own identification/coding to Goods in such a way as to ensure full traceability. The Buyer undertakes to maintain a system and complete records for tracing the Goods, which it purchases from TEKNOR GERMANY and shall make them available to TEKNOR GERMANY, upon reasonable request, to enable TEKNOR GERMANY to investigate any claim in respect of the Goods.

10. WARRANTIES

- 10.1 Unless otherwise provided for in the following, the Buyer's rights in respect of defects in quality or title (*Sach- und Rechtsmängel*) shall be governed by statutory provisions.
- 10.2 Our liability for defects shall be based on such properties (*Beschaffenheit*) of the Goods as is agreed with the Buyer. The typical specification/product data sheets used by TEKNOR GERMANY, which may be changed in accordance with Clause 3.5, shall be deemed as agreed property. Due to the nature of the Goods and the fact that the Goods may be incorporated with other goods or have other processes applied to them by the Buyer or may be subject to conditions which TEKNOR GERMANY cannot reflect in its own laboratory, TEKNOR GERMANY explicitly excludes any further warranty. In particular, TEKNOR GERMANY cannot warrant the Goods as being fit for a specific purpose.
- 10.3 Claims of the Buyer in respect of a breach of warranty are excluded, unless:
 - 10.3.1 the Buyer has notified TEKNOR GERMANY of any alleged defect of the Goods in writing immediately upon delivery or, where the defect was not apparent on reasonable inspection, within seven (7) days of it becoming apparent;
but in no event Buyer has to inform TEKNOR GERMANY of an alleged defect of the Goods no later than twelve (12) months from the date of delivery of the Goods;
and
 - 10.3.2 the Buyer has provided sufficient detail of the alleged defect and the relevant Goods and, if requested by TEKNOR GERMANY, a sample of the defective Goods to enable TEKNOR GERMANY to investigate and deal with the matter fully.
- 10.4 TEKNOR GERMANY shall be under no liability in respect of any defect in the Goods arising from any product data sheets or amendments to TEKNOR GERMANY's typical specification/product data sheets, packaging, designs or materials supplied by or requested by the Buyer or arising from any negligence of the Buyer, misuse or alteration of the Goods, abnormal storage conditions or failure to follow any instructions of TEKNOR GERMANY.

- 10.5 If the delivered Goods are defective TEKNOR GERMANY can initially choose whether it shall provide subsequent performance by remedying the defect (*Nachbesserung*) or by delivery of Goods without any defects (*Nachlieferung*). TEKNOR GERMANY's right to refuse subsequent performance in accordance with statutory provisions remains unaffected.
- 10.6 TEKNOR GERMANY is entitled to make the subsequent performance owed conditional upon the Buyer paying the due purchase price. The Customer is however entitled to retain a part of the purchase price which is reasonable in relation to the defect.
- 10.7 The expenses which are necessary for the purpose of inspection and subsequent performance (*Nacherfüllung*), in particular transport, route, work and material costs shall be borne by TEKNOR GERMANY in the event of an actual defect. However, if it is determined that a request for subsequent performance by the Buyer is unjustified TEKNOR GERMANY shall be entitled to claim compensation for the costs incurred hereby from the Buyer, unless the absence of a defect was not apparent to the Buyer.
- 10.8 In urgent cases, i.e. the safety of the operations is at stake or in order to avoid disproportionate damage, the Buyer shall be entitled to remedy the defect by itself and to demand compensation for the objectively reasonable expenses. TEKNOR GERMANY shall be informed without undue delay, if possible beforehand, of such self-remedying (*Selbstvornahme*) of defects. The right of self-remedy does not exist, if, TEKNOR GERMANY would have been entitled to refuse supplementary performance according to statutory provisions.
- 10.9 If the subsequent performance has failed (*fehlgeschlagen*) or a reasonable deadline set by the Purchaser for the subsequent performance has expired unsuccessfully or it is dispensable according to the statutory provisions, the Purchaser can withdraw from the Agreement or reduce the purchase price. However, no right to withdraw exists with regard to an insignificant defect (*unerheblicher Mangel*).
- 10.10 The Purchaser shall be only entitled to damages claims (also with regards to defects) in accordance with Clause 11 and shall otherwise be excluded to the extent legally permitted.

11. LIMITATION OF LIABILITY AND FORCE MAJEURE

- 11.1 Save as expressly provided in these Conditions, all agreed conditions, warranties and representations, express or implied by statute, law or otherwise in relation to the Goods and in relation to any delivery of Goods are excluded to the fullest extent permitted by law.
- 11.2 Except as for claims pursuant to Clauses 11.3 sentence 1 (*willful intent, gross negligence*), 11.3.1 (*life, body, health*), 11.3.2 (*essential contractual duty*) and for product liability claims pursuant to the German Product Liability Act (*ProdHaftG*), TEKNOR GERMANY shall only be liable for direct damages and not for, inter alia, indirect damages and consequential damages, irrespective of whether caused by TEKNOR GERMANY, its employees or agents or otherwise, which arise out of or in connection with the delivery of the Goods to the Buyer or their use or resale by the Buyer.
- 11.3 TEKNOR GERMANY shall be liable for damages - no matter for what legal grounds - in case of willful intent (*Vorsatz*) and gross negligence (*grobe Fahrlässigkeit*) in accordance with the statutory provisions. In case of simple negligence TEKNOR GERMANY shall be liable subject to a lower standard of liability according to the statutory provisions (i.e. diligence TEKNOR GERMANY exercises in its own matters) only
 - 11.3.1 for damages resulting from injury to life, body or health,

11.3.2 for damages resulting from the breach of a material contractual duty (*wesentliche Vertragspflicht*; an obligation, the fulfillment of which enables the proper execution of the Agreement and on the fulfilment of which the other contractual partner relies and may as a rule rely, *Kardinalspflicht*); in such case TEKNOR GERMANY's liability is however limited to the reimbursement of foreseeable, typically occurring damages for the respective kind of Agreement.

11.4 The limitations on liability pursuant to Clause 11.3 shall also apply to a violation of obligations by persons which TEKNOR GERMANY is liable for according to statutory provisions (*nach den gesetzlichen Vorschriften zu vertreten hat*).

11.5 In an event of force majeure (including but not limited to acts of nature, war, terrorist attacks, labor disputes, shortages of raw materials or energy, transport and plant stoppages, fire or explosion, acts or orders of governmental authorities and other events beyond the control of TEKNOR GERMANY including events affecting TEKNOR GERMANY's suppliers), TEKNOR GERMANY shall be relieved for the period of the force majeure event and to the extent of its impact from the obligations under the Agreement. Moreover TEKNOR GERMANY is not obliged to procure goods from other sources in such an event. If the performance of the Agreement is delayed by more than three (3) months due to an event of force majeure, TEKNOR GERMANY may withdraw from the Agreement without the Buyer having any right to claim damages.

12. INDEMNITY

The Buyer shall indemnify and hold TEKNOR GERMANY harmless against all claims, liability, damage, loss, injury, costs or expenses arising directly or indirectly from the sale or use of the Goods by the Buyer or others.

13. EXPORT TERMS

13.1 Where Goods are delivered by TEKNOR GERMANY for export from Germany, TEKNOR GERMANY will state the basis of the delivery by reference to the terms defined in the Incoterms and agreed between TEKNOR GERMANY and the Buyer in the confirmation of the Order.

13.2 Subject to any terms which TEKNOR GERMANY may state as applying by reference to the Incoterms and subject to any special terms agreed in writing between the Buyer and TEKNOR GERMANY, the provisions of these Conditions shall apply to the sale of Goods by TEKNOR GERMANY for export.

13.3 The Buyer shall be responsible for complying with any Relevant Laws governing the importation of the Goods into any country and for the payment of any duties, taxes or levies on the Goods.

14. TERMINATION BY TEKNOR GERMANY

14.1 TEKNOR GERMANY shall be entitled to terminate any Agreement immediately on notice in writing (irrespective of whether the Goods have been delivered) if:

14.1.1 the Buyer commits any material or persistent breach of any terms of the Agreement; or

14.1.2 the Buyer commits any other breach of any terms of the Agreement, which does not fall within the scope of Clause 14.1.1, which is capable of remedy and fails to remedy such breach within thirty (30) days of being required in writing to do so; or

- 14.1.3 if the Buyer ceases to trade, disposes of the whole or a substantial part of its assets, or any bankruptcy proceeding is instituted by or against the Buyer or the Buyer goes into liquidation or has a resolution passed for its winding up or becomes insolvent within the meaning of any system of law having jurisdiction over it; or
- 14.1.4 if the Buyer has a receiver or administrative receiver appointed over the whole or any part of its assets; or
- 14.1.5 if TEKNOR GERMANY reasonably apprehends that any of the events set out in Clause 14.1.3 or Clause 14.1.4 is about to occur in relation to the Buyer and notifies the Buyer accordingly.

14.2 TEKNOR GERMANY shall be entitled to terminate an Agreement in giving reasonable notice if it is unable to fulfil the Order due to any circumstances beyond its reasonable control as referred to in Clause 11.5 (*force majeure*).

14.3 On termination, without prejudice to any other right or remedy available to TEKNOR GERMANY, TEKNOR GERMANY shall be entitled to:

- 14.3.1 cancel or suspend any further deliveries under any Agreement without any liability to the Buyer;
- 14.3.2 demand immediate payment of any Goods which have been delivered but not paid for notwithstanding any previous Agreement or arrangement to the contrary;
- 14.3.3 resell/repackage/use any Goods which were ordered by or made up for the Buyer or specifically ordered by TEKNOR GERMANY to meet the Buyer's ongoing orders.

14.4 Termination of the Agreement shall be without prejudice to the rights or obligations of the parties arising prior to termination.

15. LIMITATION PERIOD

15.1 Notwithstanding Secs. (650), 438 par. 1 no. 3 BGB the general limitation period for claims for defects of quality and title shall be one (1) year; commencing with the delivery of the Goods.

15.2 The aforementioned general limitation period governing purchases shall also apply to contractual and non-contractual claims for damages of the Buyer which are based on a defect of the Goods, unless the application of the regular legal limitation period (Secs. 195, 199 BGB) would lead to a shorter limitation period in the individual case. Damage claims pursuant to Clauses 11.3 sentence 1 (*willful intent, gross negligence*) and 11.3.1 (*life, body, health*) as well as pursuant to the German Product Liability Act shall be subject to the statutory limitation periods (*gesetzliche Verjährungsfristen*).

16. GENERAL

16.1 Any notice to be given by the Buyer under Clauses 7.5 or 10.3.1 or any claim to be made by the Buyer must be in writing and sent to TEKNOR GERMANY to the address showing in the Order or such other address notified to the Buyer in writing by TEKNOR GERMANY, either by courier (with proof of delivery) or fax. Any other notice to be given under the Agreement must be in writing and sent to the recipient either by courier (with proof of delivery), fax, or registered mail (with return receipt requested) to the address showing in the Order or any other address notified in writing by the recipient from time to time and referring to the Agreement.

- 16.2 TEKNOR GERMANY is entitled to assign its rights and obligations under the Agreement or to sub-contract the performance of its duties under the Agreement without the Buyer's consent. The rights granted to the Buyer under the Agreement may not be assigned without TEKNOR GERMANY's written consent.
- 16.3 These Conditions when read in conjunction with an Order contain the entire Agreement between TEKNOR GERMANY and the Buyer and no other terms or conditions, representations, promises or understandings form any part of that Agreement, unless expressly agreed otherwise between the parties.
- 16.4 These Conditions and any Agreement to which they apply are governed by and shall be interpreted and construed in accordance with the laws of the Federal Republic of Germany, excluding principles of conflict of laws. The applicability of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.
- 16.5 Exclusive place of jurisdiction for all disputes arising out of or in connection with these Conditions or an Agreement to which these apply, is, to the extent permitted by law, Ansbach, Germany. If TEKNOR GERMANY is acting as the claiming party, TEKNOR GERMANY may, at its discretion, initiate proceedings at another court that has jurisdiction.

If any terms of these Conditions or an Agreement to which these Conditions apply should contain any gaps, these gaps shall be replaced by a legally valid provision, which the Parties would have agreed on in light of the economic intent of these Conditions or in light of the economic intent of the Agreement, should an Agreement contain any gaps, would they have known the gaps.