

**General Purchasing Terms and Conditions of
KSL Keilmann Sondermaschinenbau GmbH
KSA GmbH & Co.KG
KSE GmbH**

I. General

All goods and services you deliver to us shall be subject to these General Purchasing Terms and Conditions, unless other agreements have been made in writing. Other terms and conditions shall not become integral parts of the agreement even if we do not explicitly contradict them. In the event that we should accept any goods or services without raising any explicit objections, this shall not be construed as our acceptance of or consent to other conditions of purchase. Any acceptance of deviating terms and conditions that occurred in conjunction with earlier contracts made shall not be applicable to new orders placed.

II. Conclusion of Contracts

1. All inquiries we submit are submitted without obligation. Only written purchase orders that bear an authorized signature shall be binding. Verbal agreements shall be binding only upon our written confirmation. The same shall apply to any amendments of or additions to orders. Transmissions via telefax, e-mail or other remote data transfer shall be equivalent to written correspondence.
2. In the event that upon submitting a non-binding inquiry we do not place a binding order, we shall not pay any remuneration for expenditures incurred.
3. In the event that you should fail to confirm our purchase order to use within 2 weeks after receipt without making any changes to it, we shall have the right to revoke same at no cost to us. If delivery of the goods or services is made within 3 business days after the purchase order date, an order confirmation shall not be required.

III. Delivery

1. Deliveries shall be in compliance with the purchase order, in particular in terms of quantity and quality. The making of partial deliveries shall be subject to our consent. We shall not accept orders that exceed the quantities ordered.
2. Each delivery shall be accompanied by a delivery note that shall stipulate our order number along with a description of the content based on type (item number) and quantity.
3. If materials are delivered for which test certificates and certifications are required, we shall require said paperwork at the same time the goods arrive at the destination. In the event that the delivery comprises dangerous goods, same shall be accompanied by the pertinent safety data sheet pursuant to EU Guideline 91/155 EC and as of 1 June, 2007 pursuant to the REACH Statute (EU) No. 1907/2006.
4. We shall be required to accept the return of packaging material only if same has been expressly agreed upon.

IV. Deadlines

1. Agreed upon deadlines for the delivery of goods and the rendering of services shall be binding and shall pertain to the arrival of the goods at the destination. In the event that delays are being anticipated or have already occurred, you shall be required to notify us immediately and in writing.
2. In the event that you should fail to deliver the goods or render the services within the remedial period we have set, we shall have the right to refuse acceptance, rescind from the contract or demand reimbursement of damages based on non-fulfilment without having to put you on notice. We shall also have the right to rescind from the contract if you are not responsible for the delay.

V. Risk Transfer, Acceptance

In the event that goods are delivered without further processing or assembly and arrive at the delivery address we have stipulated; and if goods are delivered involving their further processing, set-up or assembly, the risk shall transfer upon the successful conclusion of our acceptance process. The start-up or use of same shall not substitute for our declaration of acceptance. The acceptance shall be documented by an acceptance log signed by both parties.

VI. Obligation to Inspect and File Claims, Costs of Inspection

We shall perform an incoming goods inspection only regarding damages identifiable from the exterior and for any deviations in terms of identity and quantity that can be determined from the outside. We shall file claims for any such deficiencies immediately. We do reserve the right to perform more thorough incoming goods inspections at our discretion. Incidentally, we shall file claims for any other deficiencies as soon as same are discovered within the scope of proper business proceedings. To this end, you shall waive the right to raise objections on the basis of tardy deficiency claims.

VII. Prices and Terms of Payment

1. Prices stipulated shall be fixed prices. They shall include all expenditures incurred in conjunction with the services to be rendered and goods to be delivered by you, in particular shipping costs, freight, packaging and customs duties.
2. In the event that our purchase order should not stipulate a price, the binding price shall be quoted in the order confirmation, and its acceptance shall be subject to our written consent.
3. In the event that delivery ex factory is agreed upon, you shall be required to take into account that we are a customer that waives SLVS coverage. In such cases, you shall ensure that no SLVS coverage is obtained. In the event that SLVS coverage should be obtained all the same, you shall be required to absorb any costs incurred as a result.

4. In the event that we should have agreed to absorb the shipping and freight costs, we shall absorb only the lowest possible freight costs. We reserve the right to instruct you as to the freight forwarding service to utilize. If we do provide shipping instructions, you shall be required to comply with same.
5. Separate invoices shall be issued for each delivery. They shall specify the sales tax as well as the order and item numbers.
6. Payments made by us shall not be construed as our acceptance of goods or services as being contract compliant. In the event of a deficient or incomplete delivery of goods or rendering of services, we shall, without prejudice to any other rights we are entitled to, have the right to withhold payments due for receivables that have been accrued from our business relationships up to a reasonable amount until proper fulfillment has been completed.
7. You shall be entitled to receive remuneration at the earliest once the goods as well as your pertinent invoice have been received. At our discretion, we shall have the right to subsequently pay within 14 days and deduct a cash discount of 3 % or to pay after 30 days net.
8. You shall have the right to set off only undisputed receivables that have been determined legally effective by a court of law.
9. The assignment of your receivables due from us to any third parties shall not be permitted unless we have given our express written consent to such an assignment.

VIII. Warranties

1. The warranty obligations shall be governed by the pertinent statutory provisions unless otherwise agreed upon in the following.
2. The statute of limitations for material and legal defects shall be at least 24 months as of the risk transfer date pursuant to Article 5. In the event that the statutory statute of limitations for warranties should be longer, it shall apply accordingly.
3. In the event that goods or services provided by you should be deficient, you shall be required to do one of the following at our discretion:
 1. Deliver new replacement goods
 2. Eliminate the defect or
 3. Grant a price reduction in congruence with applicable statutory provisions on reduction.
4. In urgent cases, or in order to eliminate minor defects or should you be in default of eliminating the defect, we shall have the right, after notifying you in advance and upon expiration of a brief remedial period, which shall be adequate for the situation in hand, to – at your expense - either eliminate the defect and any damages it caused ourselves or to commission a third party to do so. This shall also apply if you are in default of delivery or tardy in rendering your services and we are compelled to eliminate defects immediately to prevent a default in delivery at our end.
5. You shall assume the same liability for substitute deliveries and remedial work as you have assumed for the original goods or services.
6. You shall undertake to maintain in effect a product liability insurance policy throughout the term of the contract. We shall have the right to demand the submission of a pertinent coverage confirmation.

IX. Confidentiality

1. You shall undertake to keep confidential any and all commercial and technical details that are not common knowledge and that you find out about as a result of our business relationship and shall not share such information with any third parties.
2. Drawings, drafts, samples, tools, equipment, etc. we make available to you as part of the quotation process or for the performance of the purchase order shall remain our property. You shall not use same for any other purposes and shall not reproduce or make same accessible to any third parties.
3. Components and parts we have developed in cooperation with you shall be delivered to third parties by you only subject to our written consent.
4. You consent to our storage, processing and further handling of personal data in compliance with the statutory provisions.

X. Intellectual Property Rights

You shall assume liability for ascertaining that the contract compliant utilization of the objects delivered does not infringe upon the rights of any third parties, and in particular not upon the intellectual property rights of any third parties.

XI. Miscellaneous

1. The place of fulfillment shall be the respective delivery address stipulated in the order.
2. In the event that litigation should arise from or become necessary pertaining to the contractual relationship, the place of jurisdiction for such proceedings to take place shall be the Circuit Court in Bensheim, Germany or the State Court in Darmstadt, Germany, if such an agreement as to the place of jurisdiction is permitted by law.
3. If any of the above provisions should be ineffective, it shall be superseded by the pertinent statutory provision. This shall be without prejudice to any other provisions of our General Purchasing Terms and Conditions, which shall continue to apply.