

1. Scope, Written Form

Our delivery is subject to the following conditions. These conditions apply to all orders of the purchaser, also to subsequent orders even if we do not explicitly refer to them. Deviating conditions of the purchaser are not binding even in absence of an express objection in writing. Agreements on the validity of deviating terms and conditions require written form.

2. Verification of Receipt of our Notifications in Writing

Our notifications in writing shall be deemed received according to usual mail delivery, if they have been sent by us to the last known address. This does not apply if it is a declaration of special importance. Dispatch is presumed if a printout or a carbon copy of the corresponding letter is in our possession or if a remark or a mailing list states the dispatch of the letter.

3. Offers, Purchase Orders, Terms of Contract

Our offers and all parts thereof are non-binding unless expressly stated otherwise. The contract is only concluded when TanteC confirms the order in writing with the content stated herein. In case of further technical developments we are entitled to change or deviate from the agreed delivery unless it is not reasonable for the buyer in consideration of the interests of both parties. With respect to dimensions not accepted and tolerances required by the purchaser which we do not explicitly confirm the customarily permissible or DIN standard tolerances are applicable. Regarding the drawings, layouts, bills of materials or patterns we reserve the right of ownership and copyright, patent and licensing rights. Such documents are not to be made accessible to third parties without our written consent and must be returned upon request. When transmitting documents on data carriers it is also prohibited to make copies of them. When ordering according to the purchaser's instructions, goods provided, drawings or patterns, the purchaser makes sure that the property rights of third parties are not infringed.

We are not obliged to check the purchaser's information for correctness. Insofar the purchaser assumes guarantee and liability. The purchaser conducts possible lawsuits at his own expense and shall reimburse us for all losses and expenses arising from the asserted or actual infringement of industrial property rights. Claims against us asserted by the purchaser for reasons of using the information and details of his products, methods or manufacturing processes disclosed by him are excluded. Processing information is not covered by the contract. They do not constitute a guarantee of characteristics unless we explicitly state it in the contract in writing. Judgments and arbitral awards obtained by a third party in connection with goods delivered by us are also applicable in the relationship between the purchaser and us. Oral additional agreements and warranties given by our agents require written confirmation to become effective. Such confirmation may be given with retroactive effect at all times.

4. Prices and Costs

The prices indicated by us are ex works, excluding packaging, customs, insurance, VAT etc. They are only valid for the period indicated in our offer and do not apply to repeat orders and follow-up orders. The right to claim miscalculation (amongst others regarding quantities and dimensions), mistakes and other errors regarding the prices is reserved.

5. Terms of Payment, Retention and Set-off by the Purchaser

Payments have to be effected within 30 days net. For payment within one week we grant a discount of 2 percent provided that there are no outstanding amounts from past deliveries or due to other legal grounds. Each date of invoice is decisive. When exceeding the due date or the agreed dates of payment we are entitled to claim interest rates of 3 percent above the respective discount rate of the German Federal Bank (Deutsche Bundesbank), but at least amounting to 8 percent. We reserve the right to prove greater or lesser damages. If the purchaser does not meet the terms of payment as agreed separately, then our entire outstanding claim becomes immediately due. In unfavorable circumstances with respect to the purchaser's financial condition or creditworthiness become known we are entitled to demand advance payments or provision of securities or to withdraw in whole or in part from the contract. The purchaser explicitly agrees to our gathering of respective information. Bills of exchange and checks are only accepted

after written agreement and only on account of performance. The value shall be credited effective as of the day we have access to the amount without any reservation of rights. Purchaser's right of retention is excluded. Set-off is only admissible when the counterclaim has been determined in an undisputed and legally binding way.

6. Delivery Period, Partial Delivery, Delay in Delivery, Impossibility

Delivery dates are only binding if they have been confirmed explicitly and in writing. If delivery dates agreed upon as binding are not met for reasons beyond our control (e.g. due to call to arms, war, upheaval, strike, lock out, delay in delivery of materials, disruption of operations, machinery breakage, fire and water damages, accidents, sabotage) we are entitled to execute the order within an appropriately extended term of delivery. If due to such circumstances delivery or performance is not possible we are released from delivery obligation. Apart from that we are entitled to withdraw in case of non-delivery by our supplier or any other delivery problems beyond our control. We are only liable for delays in delivery in case of intent or gross negligence. Purchaser's claims due to delay require a grace period of a minimum of 6 weeks and are limited to a compensation of up to a half percent of every week of delay, but in total not more than 5 percent of the order value of the part of delivery that is affected by the delay. If delivery is impossible in whole or in part due to intent or gross negligence the purchaser is entitled to withdraw from the part of the contract that has become impossible or demand compensation. The claim for compensation is limited to 5 percent of the order value of the part of the delivery that has become impossible. Exceeding claims of the purchaser in case of delay, impossibility and nonfulfillment are excluded. So far as not covered by the disclaimer, the restrictions for liability in case of willful intent or gross negligence are applicable accordingly. We are entitled to partial delivery.

7. Right of Retention, Security Interest

We are entitled to retain the performances to be delivered to the purchaser due to own - also conditional or limited - claims even if there is a lack of connectivity and/or maturity of one or both claims.

The purchaser agrees to the fact that we have a lien on all items of the purchaser that have or will come into our possession for existing or future - also conditional or limited - claims. If the purchaser does not meet his obligations at maturity or is delayed in providing or enhancing securities we are entitled to liquidate securities and liens; we may liquidate items and rights assigned as security at our discretion in particular by sale or takeover at current price.

8. Dispatch and Passing of Risk, Cargo Insurance

Risk passes on to the purchaser - even in case of carriage paid delivery - as soon as the consignment has left our site or is handed over to a third party at our site for conveyance. If the delivery of goods that are ready for dispatch is not effected for reasons beyond our control, risk passes on to the purchaser when the goods are ready for dispatch, at the latest upon notice of readiness for dispatch.

Assembly of the ordered goods that has been agreed upon beyond the scope of delivery does not affect the moment in which the risk passes. We will only insure deliveries upon written agreement. In any case we are not obliged to contract SVS/RVS insurance (forwarder's risk insurance/cartage insurance).

9. Acceptance of Goods

If the purchaser has fallen behind with acceptance of the goods - also for partial delivery - or does not retrieve the goods within the agreed period or within a one-month period as from notice of readiness for dispatch we shall demand compensation for arising extra costs and immediate payment. Over and above that we are entitled to place the goods into stock at purchaser's cost and risk for 2 percent per month of the gross contract amount or otherwise dispose of the goods. We reserve the right to prove greater or lesser damages. After expiration of a period of grace of 2 week set by us we are moreover entitled to withdraw from the contract or parts of it or demand compensation for nonfulfillment. The lump-sum damage amounts then to a minimum of 20 percent of the purchase price

without VAT. We reserve the right to prove greater or lesser damage.

10. Reservation of Proprietary Rights

We will retain the right of ownership to the goods delivered by us until receipt of payment of all receivables resulting from the business relationship with the purchaser.

Before complete payment the purchaser is only entitled to resell, compound, mix, process or treat within the framework of regular business operations. Over and above that, the purchaser is obliged to handle the goods under reservation of proprietary rights with care and to conclude a liability insurance (e.g. against damages due to fire, water etc.) at his own expense. When processing our goods with other material we acquire co-ownership in the new product for the full value added by treatment in proportion to the purchase price of our goods in the total invoice value of all processed goods under reservation of proprietary rights. So far as surrender is required it is replaced by the purchaser's possession of the new goods within the framework of a hereby-agreed custody agreement. In case of reselling the goods delivered by us in an unprocessed or processed state the purchaser transfers his claim against the third party with all ancillary rights already now to us in advance. The purchaser is obliged to provide us with all necessary details for the collection and in case of payments he receives from such resales to pay immediately the outstanding amount for the delivered goods to us. We are entitled to inform the purchaser/third party whose contact details must be disclosed to us upon request of the reservation of proprietary rights and to collect the outstanding amount.

11. 11. Tools and Special Attachments

Special tools and attachments designed by us will remain in our possession even if the costs have been listed separately in the invoice in whole or in part.

For the purchaser's tools that he provides us with to complete an order we are liable according to the regulations on gratuitous custody. If the purchaser does not pick up the tools within 3 months after written request to do so or independent hereof if such parts have not been purchased over a period of 5 years we are entitled to scrap them.

12. Warranty

In case of deficiencies arising within 6 months after delivery and which have verifiably already existed at the passing of the risk we shall indemnify by rework or replacement excluding any further claims. We shall be given the opportunity to do so within a period of 4 months.

Each warranty requires as a prerequisite that the delivered goods have been examined immediately and that we have been notified of any defects according to §§ 377, 378 HGB (German Commercial Code). Notification of defects must be effected within 14 days at the latest, in case of apparent deficiencies upon surrender, in case of hidden deficiency upon discovery. In case of final failure of rework or replacement the purchaser is entitled to abatement or redhibitory action. We are liable for rework and replacement to the same extent as for the original item but only until expiration of the valid warranty period of the original item. The purchaser's right to assert claims due to the detected deficiencies becomes statute-barred in all cases 3 months as from the duly notification of defects. This does also apply if after expiration of the 3-month period the warranty period has not yet ended. After expiration of this 6-month period all warranty claims become statute-barred.

Our warranty covers exclusively the execution with respect to engineering and workshop practice, in particular the use of appropriate and relevant materials corresponding to material sheets as well processing and treatment according to the general state of the art. We do neither assume liability for operational suitability of the delivered goods nor for the consequences of inappropriate use. When we manufacture according to the purchaser's drawings our liability is limited to the execution according to the drawings, but subject to changes specific to material and manufacturing. In case of solutions to engineering tasks due to purchaser's order our liability is limited to appropriate construction material according to the function and to the manufacture and, if agreed upon, to the fact that the calculation and dimensioning correspond to the specified regulations. With respect to products of our suppliers that are integrated into our product without further treatment our liability is limited to the transfer of the claims against the supplier.

13. Liability for Customer Material, Insurances

If the purchaser provides us with material delivered for processing or treatment he has insured it sufficiently at his own expense against damages of all kinds. If the delivered material is damaged during treatment or processing or unusable we are only liable if the damage was created due to gross negligence but only up to 10 percent of the value of the processing work or up to the cost-sharing ratio of the liability insurance concluded by the purchaser but also limited to a maximum of 10 percent of the value of the processing work. We only insure customer material upon written agreement. Only in such a case we are liable for damage or loss of such material. Liability is determined according to the regulations on gratuitous custody and limited to the compensation paid by the insurance. We are entitled to assign our insurance claims to the owner of the customer material, discharging us of our obligations.

14. 14. Disclaimer

Other claims asserted by the purchaser regarding direct or indirect consequences of deficient performance irrespective of their legal basis (also positive infringement of contract, default, conclusion of contract, prohibited action etc.) are excluded even if they exit in connection with warranty claims on the part of the purchaser. This applies also in particular to claims for compensation due to direct or indirect consequential damages. In cases of mandatory liability, in particular in case of defects of guaranteed properties and so far as we or our vicarious agents are charged with intent or gross negligence our liability is limited to 5 percent of the order value. Such claims become statute-barred, as far as they arise, 6 months after occurrence of the event giving rise to the damage.

15. Assignment and Pledge

Assignment or pledge of contractual claims is only effective with our written consent.

16. Assemblies and Repairs

Assemblies and repairs are effected according to our terms of assembly and repair. Our General Terms and Conditions of Sale and Delivery shall apply additionally.

17. Place of Performance, Place of Jurisdiction, Applicable Law

Place of Performance for all contractual performances is Hanau.

Place of jurisdiction for all disputes over or arising from the contract and also for disputes involving bills of exchange and checks is Hanau. But we are entitled to file an action at any other legal place of jurisdiction. If individual stipulations of these terms or contractual stipulations are legally void, the validity of the remaining stipulations shall not be affected. The law of Federal Republic of Germany applies excluding the Uniform Laws on the International Sale of Goods.