

1. Formation of Contract and Application of these Conditions

- 1.1 di-soric enters into contracts to order and/or purchase goods or services only on the basis of these General Terms of Purchase. Any general terms and conditions of the Supplier, which deviate from or contradict these Terms, shall not be binding, even if the Supplier explicitly refers to such own conditions, when confirming and/or executing an order from di-soric, or even if di-soric accepts a delivery or effects payment in full knowledge of such conditions. General Terms and Conditions of the Supplier shall only be valid and binding with di-soric's prior, written and explicit respective consent.
- 1.2 The contract documents set forth the entire and complete understanding between the Parties as to this contractual agreement. There are no oral agreements exceeding the scope and content of this Contract.
- 1.3 Orders shall be confirmed within five working days at the latest.
- 1.4 All and any future orders from di-soric shall also be based solely on these General Terms of Purchase in the current version valid at the time of order.
- 1.5 Terms of a valid and binding Quality Assurance Agreement between di-soric and the Supplier shall prevail over these General Terms of Purchase.

2. Title in, Ownership of, Intellectual Property in and Use of Information Contained in Enquiries and Orders

- 2.1 Title to, ownership of and any Intellectual property rights in all data and information provided by di-soric to the Supplier of any kind and including, without limitation, all documents, drawings, samples and models, shall exclusively and absolutely belong to di-soric. The Supplier shall not allow third parties access to such information without di-soric's prior written consent.
- 2.2 Any and all such information shall only be used for and in connection with the production for, and the supply to, di-soric. It is subject to confidentiality according to clause 11.2 below and shall be returned as soon as the Supplier stops the respective production, with all remaining copies to be deleted.

3. Prices, Delivery, Transfer of Risk, Packaging

- 3.1 Prices for goods shall always be fixed including packaging, freight and/or postage and shall not be subject to escalation. In the absence of a specific quote at the time of ordering, the most recent price list, di-soric received from the Supplier, shall be applicable and any latest discount granted shall apply. Any applicable Value Added Tax (VAT) legally owed shall be charged separately. Pricing arrangements shall not affect the contractual place of performance.
- 3.2 Unless otherwise agreed in writing between the Parties, delivery shall be made Delivered Duty Paid (DDP Incoterms 2000) to di-soric's premises or any other German location as directed by di-soric. Delivery shall be effected with the unloading of goods or the acceptance of services rendered by a duly authorized representative of di-soric. The Supplier shall bear any risk of transport, damage and accidental loss, until due delivery has been effected.
- 3.3 Packaging shall be recyclable, otherwise the Supplier shall bear any costs of discharge.

4. Time of Delivery, Quantities, Delay, Penalty

- 4.1 Specified dates and times for delivery shall be of the essence and need to be strictly observed. The aforesaid shall also apply to call-off purchase agreements and buffer inventory contracts. Delivery on time requires receipt of the goods during business hours and includes the acceptance of the goods, if so stipulated. Deliveries prior to the agreed time of delivery shall only be allowed with the prior consent of di-soric.
- 4.2 Deviation in quantity shall be deemed accepted only if di-soric expresses explicitly its consent in writing.
- 4.3 As soon as the Supplier foresees that a delivery will be delayed, he shall promptly inform di-soric in writing about the reason and the likely duration of such delay. Furthermore, he shall take all reasonable steps to minimize such delay at his own expense and keep di-soric informed about the progress on a timely basis. Force majeure, i. e. circumstances beyond the Supplier's reasonable control, shall be proven by way of written confirmation to be issued by the local branch of the German International Chamber of Commerce.
- 4.4 If and insofar as di-soric cannot reasonably be expected to tolerate such delay, e. g. because the delivery is urgently needed for the ongoing production, di-soric may, without prejudice to any other rights or remedies, choose to treat the respective contract

as repudiated in whole or in part and obtain replacements elsewhere; in such case, any claims for compensation also extend to any additional costs di-soric incurs in connection with such covering purchase(s).

- 4.5 Acceptance of late delivery does not constitute a waiver of any compensation claims. If the reason for a delay is within the Supplier's responsibility, di-soric may, without prejudice to any other rights or remedies, demand payment of a contractual penalty in the amount of 5 % of the total value of the respective order for each complete week of delay, at maximum totalling 10 % of the order value; the reservation of this contractual penalty shall be declared within ten working days after the late delivery or after the notice of repudiation.

5. Billing and Payment

- 5.1 Goods shall be invoiced at the time of the posting of the respective goods and, if possible, together with the goods; furthermore, due to the billing processing system, invoices need to bear date and number of the respective order. The Supplier shall bear the risk of late payment, if he fails to quote those details due to his own fault or negligence. Any credit shall be calculated from the day di-soric has possession of both the goods and the respective bill.
- 5.2 In the case of intra-EU deliveries, both the shipping note and/or the invoice shall also indicate the Value Added Tax Registration Number and the additional data required for the Movement of Goods Statistics (INTRASTAT).
- 5.3 Unless otherwise agreed individually prior to the respective order, invoices shall be payable, at the free choice of di-soric, after receipt of both goods and bill, within 10 days subject of 3 % discount, within 30 days subject of 2 % discount or within 60 days net without discount. Payment shall be deemed made in due time as soon as the respective payment order has been given to the bank. Delay of payment shall require as a prerequisite the receipt of the respective bill.

6. Warranty, Liability for Defect, Product Liability

- 6.1 The goods to be delivered and/or any services to be rendered shall meet the contractual specifications and stipulations, shall be in accordance with best practice and state-of-the-art and shall comply with all applicable laws, rules and provisions as well as any regulations and guidelines of public authorities, work-cover institutions, professional organizations and trade associations. Insofar as such compliance needs to be certified or where certificates are common, the Supplier shall provide those to di-soric.
- 6.2 Goods delivered shall only be deemed accepted after inspection by di-soric regarding quality and quantity, with such inspection taking place within reasonable time upon delivery. A notice of defect shall be deemed given in due time, if the Supplier receives such notice within three working days from delivery of the goods at the contractual destination, or in the case of a hidden defect within three working days from its discovery.
- 6.3 The Supplier shall be liable for defects in accordance with the applicable law without limitation, unless otherwise provided for as follows: Notwithstanding any claims of di-soric for damages and including such claims instead of contractual fulfilment, di-soric shall have the free choice between repair of such defect or delivery of a replacement. Such claims shall stay expressly reserved after an election of repair or replacement. Should the repair by the Supplier prove unsuccessful, or in a situation of immanent danger or of other exigency, that renders impossible any attempt to inform the Supplier both about the defect and such exigency and give him even only a short notice to do such repair, then di-soric shall be free to conduct such repair itself or cause and procure third parties to do so. If parts of a combined good prove defect, the aforesaid rights extend to the combined good as a whole.
- 6.4 In the event, a third party demands from di-soric damages because of product liability, the Supplier shall indemnify di-soric unconditionally, on first demand and to the effect that he accepts the direct liability to such third party, if and insofar as the cause of such product liability is to be found in the Supplier's own domain of control and organization and he is under the law directly liable to this third party as well. The Supplier shall take out product liability insurance covering the term of the respective contract including any applicable warranty periods and with a minimum insurance cover of two million Euros for each case of personal injury and one million Euros for each case of property damages;

the aforesaid shall not affect any exceeding claims for damages. Upon request, the Supplier shall immediately assign to di-soric these insurance claims; di-soric herewith accepts such assignment.

- 6.5 Save as explicitly provided otherwise, the goods delivered shall be warranted against defects in materials and workmanship for a period of three years from the date the risk passes to di-soric.

7. Replacement Parts

- 7.1 The Supplier undertakes to deliver on reasonable conditions spare parts for as long as the foreseeable technical use of the respective delivery takes, at least for ten years from the respective delivery.
- 7.2 Should the Supplier intend to stop or suspend the production of certain spare parts, he shall inform di-soric accordingly and indicate the intended time of the latest possible respective order. Upon request, the Supplier shall provide all information, documents, technical details etc. required for the respective production, including any necessary equipment, in return for reasonable remuneration.

8. Origin of Goods

- 8.1 At the beginning of each calendar year, the Supplier shall declare the origin of the original goods with the so-called Accepted Suppliers' Declaration. If this statement is not applicable for certain specific deliveries, the Supplier shall clearly indicate on the transport documents of the respective goods "no certification of origin". In the absence of a recent Accepted Suppliers' Declaration or a specification in the transport documents, di-soric will assume as origin the EU.
- 8.2 The Supplier shall be liable for any and all damages resulting from non-compliance with the aforesaid, whether such damages arise under Civil Law, from administrative penalties, under the Law of Torts or under Criminal Law, including, but not limited to, foreign tariffs, punitive tariff duties, administrative penalties etc.

9. Place of Performance

For deliveries and services, the place of performance shall be the agreed place of receipt; Urbach, the main seat of di-soric, shall be the place of performance for payment.

10. Assignment, Rights of Third Parties, Indemnity

- 10.1 The Supplier shall not assign his rights or claims against di-soric or have them executed by third parties or subcontract his own duties without di-soric's prior written consent; di-soric shall only withhold such consent on reasonable grounds.
- 10.2 The Supplier represents and guarantees that the goods delivered are not subject to rights or claims of third parties such as a reservation of title etc. Regarding a situation of violation of this representation and guarantee, the Parties agree, without prejudice to any other rights of di-soric, that di-soric holds an unconditional expectant right already now to acquire the title to and ownership of the goods.
- 10.3 The Supplier shall be liable to indemnify di-soric for all rights and claims, damages, loss and costs (including lawyer's fees, court costs, costs of a court procedure to secure evidence etc.) and other detriments, including, but not limited to, any loss of business suffered by di-soric, that is caused to and made against di-soric because the goods delivered cannot be put to the contractual use.

11. Data Protection, Confidentiality

- 11.1 di-soric observes the provisions of the German Federal Data Protection Act when saving and processing the contract data in digital form within the frame work of the intention of this contract. All such data are being kept confidential.
- 11.2 All and any information and documentations provided (pictures, drawings etc.) shall be treated as confidential for the duration of this contract and for the next ten years, unless these data are or become part of the public domain.

12. Publicity, Advertising Statements

Only with the prior written consent from di-soric may the Supplier make use of his business relationship to di-soric for publicity purposes.

13. German Electric and Electronic Devices Act – ElektroG

If and insofar as the German Federal Law on the Trade with, the Taking Back of and the Environmentally Orientated Discharge of Electric and Electronic Devices (so-called German Electric and Electronic Devices Act (ElektroG)) in its latest version is applicable, di-soric herewith explicitly disagrees to any contractual clauses of the Supplier deviating from said Federal Act.

14. Jurisdiction and Venue, Applicable Law, Severability Clause, Attachments and Headings

- 14.1 Any and all disputes arising out of or in relation to this contractual relationship shall be submitted to the competent German courts at the main seat of di-soric in Urbach, Germany. However, di-soric shall be free to sue the Supplier alternatively at the competent courts of the applicable jurisdiction at the main seat of business of the Supplier.
- 14.2 The entire agreement, its terms and all legal relationships between the Parties shall be solemnly and exclusively governed by and construed in accordance with the law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not be applicable.
- 14.3 Should any provision of this Contract be or become illegal, unenforceable or invalid, the legality, enforceability and validity of all other provisions shall remain unaffected and in full force and effect. The Parties shall, by way of negotiation in good faith, replace any illegal, unenforceable or invalid provision by such legal and valid provision, that achieves the most similar economical purpose to the Parties' original intent. The same shall apply, should this Contract prove incomplete because of an unintended omission of a provision.
- 14.4 The Attachments to this Contract form an integral part of this Contract. Headings are for reference only and do not form part of this Contract.

Dated: 01/2008