

**General Sales and Delivery Terms (GSDT) of ET System
electronic GmbH (ET)**

I. General/Scope of Application

1. The present Sales and Delivery Terms will apply exclusively to all deliveries, services, offers and information by ET electronic GmbH, hereinafter referred to as "ET". These are parts of all contracts concluded by ET with its customers regarding the goods or services being offered.
2. Where the General Sales and Delivery Terms of ET are introduced in business with the customer they will apply to all further business relations between the customer and ET even if they are not agreed on separately again and to the extent that nothing to the contrary has been stipulated in writing.
3. Where ET refers to a letter by the customer which contains or refers to business terms by the customer or a third party this will not be tantamount to consent to the validity of such business terms by the customer or third party.
4. The GSDT will only apply vis à vis entrepreneurs as defined by § 14 BGB (Civil Code), legal entities under public law and public law estates as defined by § 14 BGB / § 310 BGB.
5. Where the customer has been presented with an English translation of the present General Sales and Delivery Terms it is being made clear to him that exclusively the German version of these terms will be authoritative for the contractual relationship.

II. Information, Conclusion of the Contract, Prices and Payment Terms

1. Information provided in prospectuses, ads, etc. by ET is non-binding and subject to change.
2. Technical alterations as well as alterations of shape, color, weight may be made on the basis of fair discretion (§ 315 BGB). Technical information, descriptions, illustrations in prospectuses as well as advertising by ET are normally a non-binding description of the service. A feature of a good is only regarded as such if expressly indicated as "feature of the good".
3. All offers by ET are subject to change and non-binding. They are requests for orders by the customer. A contract will only be concluded in the regular course of business after ET has confirmed the customer's order in writing. Where no written order is given, the contract will be concluded through delivery of the goods with the contents in the invoice by ET.
4. The prices are defined ex works of ET in Altlußheim. Value added tax, packaging and transport costs are due additionally on the prices quoted.
5. Payment by the customer must be made within 30 days as from the invoice date. Payment will be deemed to have been made at the date of receipt of the money by ET/the date of crediting to the account of ET.
6. After lapse of the 30th day after the invoice date the customer will be deemed to be in arrears with payment without need for a payment reminder by ET.
7. Upon the onset of delay, default interest of 9 percent above the respective basic interest rate will be charged by ET. Further-reaching claims are reserved and will remain unaffected.
8. Set-off with counterclaims by the customer against ET or the retention of payments by the customer due to such claims is only permitted if the counterclaims are uncontested or res judicata.
9. The assignment of receivables and claims in connection with the conclusion of contracts with ET is only permitted to the customer after prior written consent by ET.

III. Delivery Periods

1. Delivery dates and deadlines are non-binding.
2. Where in the exceptional case delivery dates are binding they must be expressly agreed on in writing between ET and the customer.
3. Where delivery deadlines are to be binding this must have been agreed on in writing between the parties. The deadline will start to run in this case upon receipt by the customer of an order confirmation by ET, but not before provision of the documents, permits, approvals and credit of any agreed down payment on the order.
4. The delivery deadline will have been met where the delivery item was dispatched or handed over to the shipping agent by lapse of the deadline/ in the case of a duty to collect the goods, ET communicated readiness for dispatch.
5. ET is only entitled to partial deliveries where the partial delivery can be used for the customers within the scope of the contractual purpose, delivery of the remaining goods has been secured and no significant additional expenditure/extra costs are incurred to the customer by this.

IV. Shipping Terms and Passing of Risk

1. Unless otherwise agreed the goods will be shipped uninsured at the risk of the customer.
2. The prerequisite for claims by the customer for defects is fulfillment of the customer's duty of inspection and reporting of defects (§§ 377, 381 HGB) (Commercial Code). Where upon delivery, inspection or at any later date a defect is detected a written report is to be made immediately to ET. In every case visible defects are to be reported in writing within 5 work days after delivery and any hidden defects detected upon inspection within the same period as from the moment of detection. Where the purchaser fails to conduct the proper inspection and/or report defects liability by ET for defects not reported/not reported in time is excluded according to the provisions of the law. Departing from § 438 Sect. 1 Nr. 3 BGB the general statute of limitations for claims from material and legal defects is one year as from delivery. Where an inspection is agreed on, the statute of limitations will commence upon inspection.
3. The return of transport and other packaging materials will not be accepted according to the Packaging Ordinance. The customer is obligated to have the packaging disposed of at his own costs.

V. Guarantee

1. The customer must carefully inspect the goods received immediately after receipt with regard to features, volume and any material defects and damage. Visible material defects must be reported immediately by the customer by the latest within 10 days after receipt of the goods. Hidden material defects must likewise be reported immediately, by the latest within 10 days after detection of the material defect. ET has the right to have the reported material defect inspected at the customer's site by its own staff and at its own expenses.
2. ET will bear liability for delivery of goods free of defects in the case of reports of material defects that are substantiated and filed in a timely and proper manner only for up to 12 months starting from the delivery of the goods. Where an inspection is necessary liability for defect-free goods will commence upon inspection.
3. In the case of material defects of the goods ET must opt within an adequate period either for make-up performance, i.e. subsequent rectification or subsequent delivery. Where subsequent rectification fails, i.e. in the case of infeasibility, refusal or inappropriate delay of make-up performance the customer can rescind the contract or have the purchase price adequately reduced.
4. In the case of delivery of already detectible damage to the goods the customer must ensure that a complaint is made also to the transport company, is recorded in the transport papers and the damage documented. Where no such complaint is made the customer will be liable vis à vis ET for the damage resulting from this.
5. Delivery of second-hand goods agreed on with the customer in the individual case will be made excluding any guarantee.

VI. Liability for Damage Compensation Due to Fault

1. Unless otherwise to be concluded from the present General Sales and Delivery Terms including the following terms ET will be liable in the case of a breach of contractual or extra-contractual duties in accordance with the statutory provisions.
2. ET will only be liable for damage compensation-regardless of the legal ground- within the scope of fault liability in the case of willfulness or gross negligence. In the case of minor negligence ET will be subject to liability in accordance with a milder liability yardstick in accordance with the statutory provisions (e.g. for duty of care in its own matters) only
 - (a) for damage from injury to life, limb or health,
 - (b) for damage from the significant breach of a cardinal contractual duty (duty on whose compliance the proper performance of the contract hinges and on whose compliance the contractual partner relies and can rely); in this case liability by ET is however limited to compensation of foreseeable, typical damage.
3. The limitation of liability arising in paragraph 2 will also apply to breaches of duty by/ to the benefit of persons for whose culpable actions ET is liable pursuant to the statutory provisions. They will not apply where ET willfully concealed a defect or assumed a guarantee for the features of the goods and for claims by the purchaser arising from the Product Liability Act.
4. The customer can only rescind due to a breach of duty which does not consist of a defect where ET is liable for the breach of duty. A free right of termination by the customer (in particular in accordance with §§ 651, 649 BGB) is excluded. In other respects the statutory requirements and legal prerequisites and consequences will apply.

VII. Retention of Title

1. Until full payment of all present and future claims by ET against the customer from the business relationship between the latter and ET has been made the delivery item will remain the property of ET.
2. The customer has the right to resell the goods within the scope of his regular business operations. Pledging and assignment as security is not permitted. In the case of a resale the customer hereby already assigns to ET all claims against the recipient of the goods to the amount of the gross invoice total for securing the respective claims by ET.
3. ET will be obligated to release securities it is entitled to upon request by the customer where the value of the securities exceeds the claims being secured by more than 20%.
4. In the case of processing, combination and mixing or blending of the goods subject to retention of title with other goods not belonging to ET, ET will have a share in the ownership of the new item being created on the basis of the ratio of the gross invoice value of the goods subject to retention of title to the remaining odds in the period of processing, combination, mixing or blending.
5. In the case of pledging or other third party interference with the delivery item the customer must inform ET immediately in writing in order to enable the assertion of his right of ownership. The customer will immediately inform the third party of ET's ownership.

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

1. The place of performance for all contractual duties is the seat of ET in Altlußheim. The exclusive place of jurisdiction for all disputes is-where permitted by law- the Municipal or Higher Regional Court having jurisdiction for Altlußheim.
2. The laws of the Federal Republic of Germany excluding the UN Sales Convention (UN Convention on the International Sale of Goods of April 11, 1980) will apply to all legal relations between the customer and ET. Where German law remits to a foreign legal system, such remittal shall not apply.

IX. Data Protection and Compliance with Export Terms

1. With regard to the provision of the Federal Data Protection Act ET advises that it stores the data from the contractual relationship for the purpose of data processing in accordance with § 28 Federal Data Protection Act.
2. The customer recognizes that the contractual products, software and services (as well as technologies, software and work results contained therein) may be subject to the export control regulations of the United States of America as well as the export and import control regulations of the countries from which/to which they are delivered or used. The parties will be obligated to comply with the applicable provisions. In the case of (re) export the customer will be exclusively responsible for compliance with the import or re-export regulations. Compliance with export control regulations is a cardinal contractual, duty the breach of which will justify termination on a relevant ground

X. Severability Clause

Should a term of the contract being concluded be wholly or partially invalid within the scope of application of the present General Sales and Delivery Terms this will not affect the validity of the remaining terms. The invalid or void term will be replaced by a legally valid term which comes as close as possible to the economic purpose of the contract and General Sales and Delivery Terms agreed on by the contractual partners. The same will apply in the case of a legal gap.