

General Terms of Sale Norgren GmbH

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Preamble

The General Terms of Sale (GTS) regulate the contractual relationship between Norgren GmbH (hereinafter referred to as "Norgren"), Bruckstraße 93, D-46519 Alpen, and the Customer.

1. Subject Matter of the Contract

- 1.1. The subject matter and components of the contractual relationship between Norgren and the Customer result from these GTS. The current GTS are available to the Customer under <http://www.imi-precision.com>.
- 1.2. The validity of deviating or conflicting terms and conditions of the Customer is excluded, unless Norgren has expressly agreed in writing to the validity of the deviating conditions. The GTS also apply if Norgren, knowing of conflicting or deviating terms and conditions of the Customer, delivers without reservation.
- 1.3. Any agreement between Norgren and the Customer relating to the purposes of implementation of this contract must be in writing.

2. Contract Documents

Norgren retains ownership rights and copyright to illustrations, drawings, calculations and other documents ("contract documents"). The Customer is not permitted to allow third parties access to contract documents without the prior consent of Norgren. These are to be used exclusively for production based on orders from Norgren. Sec. 7 applies additionally.

3. Prices – Terms of Payment

- 3.1. Subject to a separate agreement with the Customer the prices in accordance with the Norgren price list shall apply. The prices are quoted ex works, excluding packaging and prior to the statutory turnover tax applicable at the time.
- 3.2. Any cash-discount is subject to written agreement of the Parties.
- 3.3. Unless agreed in the confirmation of order, the net price (without deduction) is due for payment within 30 days from date of invoice.

- 3.4. Rights of offsetting and retention upon the part of the Customer are excluded unless its claim is undisputed, acknowledged or legally established or based upon the same contractual.

4. Delivery Period

- 4.1. The beginning of the delivery period stipulated by Norgren presumes the clarification of all open technical questions.
- 4.2. A timely delivery by Norgren implies a timely and proper fulfilment of obligations by the Customer; the defence of non-performance under the agreement is reserved;
- 4.3. If the Customer is in default of acceptance or culpably violates other cooperation obligations, Norgren shall be entitled to the damages thereby, including any additional charges to be replaced. Any further claims or rights remain unaffected.
- 4.4. If Norgren is in default in delivery, the Customer's claims for damages shall be limited to compensation amounting up to 0,5 % of the value of the goods for each week completed during which Norgren is in default and shall be limited to a maximum of 5 % of the value of the delivery. Clause 6 applies additionally.

5. Warranty – Inspection of Defects

- 5.1. Customer's warranty claims presume that the Customer has met his obligations concerning examination and notice of non-conformity as per Para. 377 HGB (German Commercial Code) properly.
- 5.2. Insofar as the purchased object does have a defect, we shall, as we see fit, be entitled to render subsequent fulfilment either by rectifying the defect or by supplying a new defect-free item. In the event of correction of the defect or of substitute delivery Norgren is obliged to bear all of the necessary expenses required for such subsequent performance, in particular transport costs, route costs, work costs and material costs, provided these do not increase as a result of costs associated with transferring the goods for sale to another location than that of the place of performance.
- 5.3. If the subsequent fulfilment fails, the Customer can require cancellation of the contract (resignation) or reduction of the reimbursement (decrease) at his choice.



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- 5.4. Claims of the Customer to restitution of consequential damage or reimbursement of lost expenses are subject to Sec. 6 only and otherwise excluded.
- 5.5. The period of limitation is 12 months, beginning with the transfer of risk. This does not apply if the purchase item is normally used for a structure and caused the defect.

6. Liability

- 6.1. Norgren is liable in accordance with the statutory regulations if the Customer enforces claims for compensation originating from negligent or grossly negligently acts on the part of Norgren or its representatives or agents. If the breach of contract is not caused by intent of Norgren, liability for damages shall be limited in its amount to the foreseeable, typically occurring damage.
- 6.2. Furthermore, Norgren is liable according to the statutory regulations insofar as material contractual obligations are violated. A material contractual obligation shall be deemed to exist if it is an obligation whose fulfillment only makes possible the proper performance of the contract and on whose observance the Customer may rely on. Insofar liability for damages shall be limited in its amount to the foreseeable, typically occurring damage.
- 6.3. The amount of the foreseeable, typically occurring damage in the sense of Sec. 6.1 and 6.2 is capped to the total sum of EUR 1 million.
- 6.4. The liability for a culpable injury of life, body or health remains unaffected. This also applies to the mandatory liability in accordance with product liability law.
- 6.5. A liability further and beyond this Sec. 6 is excluded, regardless of the legal nature of the claims raised. This applies in particular for damage claims from indebtedness upon conclusion of contract because of special breaches of duty (particularly the breach of collateral duties) or because of tort claims to compensation for property damage in accordance with section § 823 of BGB [German Civil Code].
- 6.6. The restriction of liability as defined in Sec. 6.4 shall also be applicable if the Customers claims for compensation of useless expenses instead of damage.

- 6.7. To the extent that compensation liability is excluded or restricted for Norgren, this also applies to the personal compensation liability of members of staff, employees, workers and representatives of Norgren.

7. Industrial Property Rights

- 7.1. If not otherwise agreed upon, Norgren shall be obliged to render the delivery free of any industrial property rights and copyrights of third parties (hereinafter called: property rights) solely in the country of destination. To the extent a third party makes justified claims against the Customer because of infringement of property rights by deliveries rendered by Norgren and used according to contract, Norgren shall be liable to the Customer within the time-limit stipulated in Sec. 5 as follows:
- Norgren shall at their expense and discretion obtain a right of use for the deliveries concerned, modify them such that the property right is not infringed or exchange them. Should Norgren not be able to do so under reasonable conditions, the Customer shall be entitled to the statutory right of rescissio or reduction.
 - Norgren's obligation to pay damages shall be subject to Sec. 6.
 - The above mentioned obligations of Norgren shall only be given provided if the Customer immediately informs the Norgren in writing about claims asserted by third parties, refuses to acknowledge an infringement, and all and any measures of protection and settlement proceedings remain reserved to the supplier. Should the Customer discontinue the use of the delivery goods for the purpose of reducing the damage or for other reasons, the Customer shall be obliged to inform the third party about the fact that the discontinuance of use does not represent an acknowledgement of the property rights infringement.



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7.2. Claims of the Customer shall be excluded to the extent the Customer is responsible for the property rights infringement. Claims of the Customer shall furthermore be excluded to the extent the property rights infringement was caused by special standards stipulated by the Customer, by use not foreseeable by Norgren or by the fact that the delivery goods were modified by the Customer or used in conjunction with products not delivered by Norgren.

7.3. Claims of the Customer against Norgren and/or its agents extending beyond the contents of point 7.1 due to legal shortcomings are excluded.

7.4. The period of limitation for legal shortcomings is 12 months, beginning as from the date of transfer of risk.

8. Retention of Ownership

8.1. Norgren reserves the title in the delivery goods (reserve goods) until the Customer has made the complete payment due from the business relationship. The reservation of title shall also include the acknowledged balance, to the extent the supplier enters the claims against the Customer in current account (current account reserve).

8.2. The Customer is required to handle the purchase item with care. In particular he/she/it is obliged to adequately insure it, at his/her/its own cost, against damage from fire, water and theft, at new value. Should servicing and inspection work be required, this is to be undertaken by the Customer in good time at the Customer's own cost.

8.3. In the event of seizure or other encroachment by a third party, the Customer must notify Norgren immediately in writing so that Norgren can take legal action in accordance with section § 771 of ZPO [Code of Civil Procedure]. Should the third party prove unable to reimburse Norgren for the court costs and out-of-court costs of such legal action, in accordance with section § 771 of ZPO, the Customer shall then be liable to Norgren for the missing sum.

8.4. The Customer shall be entitled to resell the delivery goods in the proper course of business; however, the Customer already now assigns to Norgren all and any claims in the amount of the final invoice amount, including value added tax, which are due to him from the resale against his purchaser or third parties, independent of the fact whether the delivery goods were resold without or after processing. The Customer shall be entitled to collect this claim also after its assignment. Norgren's power to collect the claim himself remains unaffected; Norgren, however, agrees not to collect the claim as long as the Customer meets his payment obligations properly and is not delinquent. In this case, the supplier may request the Customer to disclose the assigned claims and their debtors, to provide the information required for collection, to provide the relevant documentation and to inform the debtor (third party) about the assignment.

8.5. The processing and transformation of the delivery goods by the Customer shall always be performed for Norgren. If the delivery goods are processed together with other objects not belonging to Norgren, Norgren shall obtain co-ownership in the new object in the proportion of the value of the delivery goods to the other processed objects at the time of processing. Otherwise, the same provisions as for reserve goods shall apply to the matter created by processing.

8.6. If the delivery goods are mixed irreversibly with other objects not belonging to Norgren, Norgren shall obtain co-ownership in the new object in the proportion of the value of the delivery goods to the other mixed objects at the time of mixing. If the mixing is done such that the matter of the Customer is to be deemed a main component, the parties agree that the Customer shall assign to Norgren proportional co-ownership. The Customer shall keep the sole property or co-property for the supplier.



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8.7. The Customer shall also assign to Norgren the claims for securing Norgren's claims which are due to the Customer against a third party by joining the delivery goods with a real property.

8.8. If the realizable value of the securities due to Norgren exceeds Norgren's total claims by more than 10 %, Norgren shall be obliged to release in Norgren's discretion securities on request of the Customer or a third party affected by the excessive security.

9. Non-Disclosure

9.1. The Customer must observe strict secrecy with respect to all illustrations, drawings, calculations and other documents and information ("information to be treated secretly") received from Norgren in connection with the delivery. Third parties must not be given access to information to be treated secretly without the explicit consent of Norgren.

9.2. The obligation to secrecy also applies after conclusion of the contract for a period of five years. It expires if and to the extent that the contents of the illustrations, drawings, calculations and other production know-how contained in the documents provided has become generally known.

10. Compliance

10.1. The Customer must observe all applicable laws and regulations geared to prevention of bribery and corruption, and to export restrictions in connection with deliveries and/or the business operations of Norgren. The Customer must notify Norgren immediately about any violation of the above-mentioned regulations by members of its organization, senior employees, workers or representatives, or by others acting on its behalf.

10.2. Norgren refers the Customer to its code of conduct on responsible and ethical company management, the "IMI Way". The IMI Way is available to the Customer under www.imi-precision.com. Regardless of the concrete deliveries or the business relationship to Norgren, the Customer must ensure that the members of his/her/its organization, senior employees, workers and representatives correspondingly behave in ethical conformity with the relevant IMI Way regulations.

10.3. If the Customer violates the obligations contained under point 10.1 and/or 10.2, Norgren is entitled to withdraw from the contract.

11. Other Provisions

11.1. The Customer can only transfer the rights and obligations associated with this contract to a third party after obtaining the prior written consent of Norgren.

11.2. The place of jurisdiction is the place of the registered address of Norgren. Norgren is nevertheless also entitled to initiate court proceedings against the Customer in the court of jurisdiction at his/her/its place of residence.

11.3. German law applies to the contractual relationship of contract partners, to the exclusion of the UN purchase law.

11.4. Should individual provisions of these GTS prove to be invalid, whether at present or at some future date, this will not affect the validity of the remaining provisions.

As per: March 2012



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