

## 1. General

1.1. The latest edition of the following general terms and conditions are a component of all proposals, order confirmations and all sales contracts from our company doing business with contractors (Par. 14 BGB) – hereafter referred to as customers – and apply to all present and future business transactions, so long as not otherwise agreed to. In special cases such as for installation, repairs, maintenance, information services, hardware and software services as well as start-ups, additional stipulations may be required as part of the contract and must be separately documented prior to executing the contract. For labour contracts, these terms and conditions apply accordingly. These conditions are considered agreed to when the order is issued, or at latest when receipt is taken on our delivery of goods or services.

1.2. The customer's terms and conditions are not recognized even if we do not expressly object to them upon receipt, unless we have expressly agreed to their applicability in writing.

1.3. Deviations from these general terms and conditions require our express written agreement. Amendments, alterations or additional agreements, regardless of how there are transmitted, require our written approval in order to be considered legally binding.

1.4. As long as nothing otherwise is agreed to in the signed contract, the VOB Part B is considered applicable for labour contracts and agreed to, including the time limits therein described for liability for defective goods.

## 2. Contracts

2.1. Our proposals are non-binding. This also applies to information in regard to size, capacity, performance or results in figures, catalogues and diagrams. These pieces of information may be considered merely approximate reference values. We expressly reserve the right to make price increases on the basis of increases in the cost of wages and materials. The contract comes into effect first through our written order confirmation or by execution of the order. Until then our proposal is considered non-binding. Even in such cases of immediate acceptance of our proposal, only our order confirmation is binding for the scope of goods and services.

2.2. Verbal additional agreements require our written confirmation.

2.3. We reserve the right at any time to make changes in our products in order to effect technical improvements, including customary deviations in size, weight and other technical details. All samples are non-binding type samples.

## 3. Prices

3.1. The delivery price results from the currently valid list price less the agreed-to rebate, offer or individually negotiated price. The prices are considered F.O.B. to the construction site within the Federal Republic of Germany. The customer bears the costs for the unloading, stocking and preparing of any requested items. Freight charges for international deliveries are billed separately. The prices as stated and agreed to in the written order confirmation are binding. However, if the customer fails to take delivery of ordered goods by the deadline stated in the order confirmation, the list prices at the date of delivery are considered valid. If a package price has been negotiated, this is valid only for the scope of services stated in the agreement. Additional services, regardless of reason, are billed separately. Packaging is not taken back. This concerns sales packaging as considered by packaging regulations. All prices are excluding sales tax, which is calculated additionally at the currently valid rate on the day of delivery.

3.2. Our prices are based on actual costs at the time of contract signing. If the prices for materials we use or wages we pay change within a period at least three months between the contract signing and delivery, we reserve the right to raise the agreed-to sales price accordingly.

## 4. Delivery Times

4.1. Delivery times are agreed to and established in the order confirmations. The delivery deadlines indicated in the proposal are non-binding.

4.2. The customer's timely fulfillment of contract obligations is a prerequisite to our keeping delivery times and deadlines. Delivery periods begin with the date of order confirmation, however not prior to clarification of all details regarding execution of the order and the receipt of all documentation required for the execution of the order and any other information the customer is to furnish, as well as the receipt of an initial payment as agreed to in the terms of payment. The delivery deadline is also considered met when the ordered goods leave our factory or warehouse on the agreed-upon date, or when the customer indicates he is ready for dispatch but the goods cannot be dispatched in a timely manner through no fault of our own. The present regulations apply to delivery deadlines accordingly.

4.3. Unforeseen events out of our control such as war, threat of war, uprisings, third party use of force against people or property, sovereign actions including political measures affecting currency and commerce, strikes of our workforce or that of our suppliers or transport companies, interruption of traffic flow, fire, raw material deficiencies, power shortages and other business disruptions at our firm or those of our suppliers extend the agreed delivery deadline by the duration of the hindrance. This also applies when we find ourselves already delayed in delivery or insofar as the performance hindrances described above were already in existence unbeknownst to us prior to the signing of the contract. We will immediately inform the customer of hindrances such as those described.

4.4. If delivery delays attributable to such causes last longer than two months, both parties have the right to withdraw from the contract. The customer, however, can only withdraw if we do not declare within a one-week timeframe, at his request, whether we will withdraw or want to deliver within a reasonable timeframe. The same right to withdraw arises independent of the above-mentioned timeframe when either of the parties expresses that he no longer has any interest in executing the contract due to the ensuing delay. In addition, any of the customer's legal rights to contract cancellation established at any earlier point in time are not affected by this regulation. If the execution of our deliveries is delayed by the customer, the delivery date is extended commensurate with the duration of the delay. Any costs incurred therefrom are the responsibility of the customer.

4.5. Even when a set time is agreed to as described in BGB Par. 286 Sec. 2, delay is established only after we have received a warning. If we delay delivery, the customer must extend to us a reasonable grace period for performance or subsequent fulfillment. Otherwise the customer may not demand compensation for damages in place of performance or withdraw from the contract. The setting of a grace period can be dispensed with if we earnestly and conclusively decline performance; if we cannot provide performance by a deadline set in the contract or within a specified period, and the customer depended on the timely delivery of our performance for the continuity of his business interests, or the customer presents special circumstances which justify immediate cancellation in mutual consideration of the best interests of both parties.

4.6. If fixed deadlines are agreed to, they are valid only under the prerequisite of timely and complete clarification of all order details, especially the receipt of all documentation, permits and releases to be provided by the customer, as well as the punctual receipt of any initial payments due. When a deadline is agreed to, it is considered not met when our goods and services are so incomplete and faulty to this point in time that a total start-up at a given time cannot take place. Non-critical deficiencies or partial delivery of goods and services are not under consideration.

4.7. The customer reserves the right to withdraw from the contract when a reasonable grace period for our performance or subsequent delivery after delay has expired. The right to withdraw is no longer valid if goods are shipped or are ready for shipment at the expiration of the grace period and the client is notified, but the goods cannot be shipped in a timely manner through no fault of our own.

4.8. We reserve the right to make partial deliveries, as long as these are deemed reasonable by the client. These are considered completed deliveries for invoicing purposes.

4.9. If damages arise for the customer due to the delay of performance for which we are responsible, he has the right, under exclusion of continuing demands for compensation for damages due to delay of performance or in place of performance, to demand compensation for delay in the amount of 0.5% for each complete week of delay, the total of which however may not exceed 5% of the affected portion of the total delivery which as a result of the delay cannot be used in a timely or contract-specified manner. Customer claims for compensation for damages that exceed these limits are excluded in all cases regarding delayed subsequent delivery, even after the expiration of a set grace period for performance or subsequent fulfillment. This does not apply in cases of deliberate or gross negligence for which we are liable; a change in the burden of proof to the disadvantage of the customer is herewith not connected. The customer's right to withdraw after the fruitless expiration of a set grace period for performance or subsequent fulfillment remains unaffected. The customer has a right to claims to compensation for damages due to unfulfilment in the amount of the foreseeable damages only if the cause of the damage arises from intention or gross negligence. Moreover, the compensation liability is limited to the value of the goods to be delivered or installed by us.

4.10. If the delivery date is delayed due to reasons for which the customer is responsible, all storage costs therefrom arising are the responsibility of the customer.

## 5. Transfer of Risk

5.1 Risk is transferred to the customer also for free delivery as follows:

5.1.1. For deliveries without set-up or installation, when they are shipped or picked up. We will insure deliveries against damages due to breakage, transport fire at the customer's written request and at his cost.

5.1.2. For deliveries with set-up or installation on the day received at the customer's operation, at pick-up or, if thus agreed, after a successful dry run.

5.1.3. Upon receiving written confirmation of completion or partial completion.

5.2. If the shipment, delivery, the beginning, the completion of set-up or installation, the receipt into the customer's own operation or the dry run is delayed due to reasons for which the customer is responsible, or the if the customer delays acceptance for various reasons, the risk is transferred to the customer.

## 6. Terms of Payment

The following terms of payment apply, so long as not otherwise agreed to:

6.1. Delivery of goods: Payment is net 14 days after delivery and invoicing without deduction.

Installation services and delivery of goods: For orders over €5,000.00, one-third of the total invoice is due at the time of ordering, one third at the time of delivery and one-third at the time of installation, net 10 days after completion and invoicing.

Insofar as nothing is otherwise agreed to, we calculate a shipping cost charge of €25.00 net per invoice for total invoice amounts up to €250.00 net.

6.2. For overdrafts, interest and penalties in accordance with current bank rates for overdraft credit will be assessed from the due date; interest however will be calculated at 3% over the German Federal Bank's current discount lending rate.

6.3. We reserve the right, even after signing a contract, to require sufficient collateral for our payments, including those not yet due, and to make any further advance work on our part dependent thereon.

6.4. The customer is not entitled to a right of retention. An offset is allowable only insofar as the counter-demand is uncontested or legally established. We are entitled to offset all outstanding receivables due us from the customer against all receivables the customer holds against us.

6.5. If the customer delays more than two weeks in paying an invoice, a request to open insolvency proceedings against the customer's assets is made. If the customer has entered an extra-judicial process for debt restructuring or stopped his payments, or we become aware of other circumstances that significantly diminish the customer's creditworthiness and through which the customer's ability to produce the consideration he owes is jeopardized, we are entitled to secure collateral via prepayment or bank guarantee (whichever the customer prefers) for remaining deliveries at least one week in advance, and are permitted to refuse performance up to the value of the collateral. Upon fruitless expiration of a reasonable grace period, we are further entitled to withdraw from the contract and demand compensation for damages. Furthermore, in this case we can revoke permission to resell items along with bank draft authorisation as well as the right to fabricate, process, combine or mix goods already delivered as described in Section 7 of these terms and conditions and may require the return of all delivered goods.

#### 7. Retention of Ownership

- 7.1. We retain ownership of goods until complete satisfaction is made of all receivables from an open transaction. The extended retention of ownership applies.
- 7.2. The customer keeps the unpaid-for goods safe for us free of charge. He must insure the goods against usual risks such as fire, theft and water damage to the extent that is commercially customary. The customer cedes to us his claims for compensation due to damages of the type described or similar that are due him from the insurer or the party obligated to make compensation, up to the amount of the invoice. We accept this cession.
- 7.3. If the customer behaves in a manner contrary to contract, particularly in missing payment deadlines, we are entitled to retrieve our deliveries if the customer does not bring his account current within a reasonable period after our warning. The customer is then obligated to return our deliveries or services.
- 7.4. The customer is obligated to immediately inform us of any third-party attachment to the goods, seizure, any damages or the destruction of goods, so that we can file a complaint in accordance with Par. 771 ZPO. Insofar as the third party is not in the position to reimburse us for legal and out-of-court costs of litigation in accordance with Par. 771 ZPO, the customer is responsible for the resulting compensation due us. The customer must inform us of any changes in ownership of the goods as well as a change in his own location.
- 7.5. The customer is entitled to resell, process or install retained goods only under consideration of the following stipulations and only to the extent that the receivables are transferred to us according to the conditions set forth hereunder.
- 7.6. If the customer processes the retained goods into new chattel property, the processing takes place for us, without our being obligated to it. The new item becomes our property. If such processing takes place with items that do not belong to us, we inherit co-ownership of the new item in proportion to the value of the goods delivered by us to the various processed items. The same applies when the goods are mixed with other objects not belonging to us.
- 7.7. The customer's permission to sell, process or install retained goods in normal commerce ends with our retraction as a result of a long-term decline of the customer's financial situation, at latest, however, when the customer stops making payments or with the application for or opening of insolvency proceedings against his assets.
- 7.8. The customer hereby cedes any receivables arising from the reselling of retained goods, along with all rights thereunto appertaining. If the goods were processed, mixed or blended and we have achieved co-ownership in the amount of the invoice value, we are entitled to receive the selling price proportionate to the value of our right to the goods. If the customer builds retained goods into a piece of property, the customer cedes any receivables arising therefrom as reimbursement in the amount of the value of the retained goods, with all associated rights thereunto appertaining, including any such granting a legal mortgage ranked before the remainder. If the customer has sold the receivables in context of genuine factoring, he cedes to us the receivables taking its place against the factor. We accept this cession.
- 7.9. The customer is authorised to collect his ceded receivables as long as he brings his payment obligations current. The authorisation to collect is extinguished with our retraction as a result of a long-term decline of the customer's financial situation, at latest, however, when the customer stops making payments or with the application for or opening of insolvency proceedings against his assets. In this case we are authorised by the customer to advise the payors of the cession and to collect the receivable ourselves. The customer is obligated upon our request to hand over an exact accounting of the receivables to which we are entitled, with names and addresses of the payors, the amount of the individual receivables, invoice dates and any further details, and to provide all information necessary for the enforcement of the ceded receivables and to ensure validation of this information.
- 7.10. Insofar as the value of all collateral rights to which we are entitled exceeds the amount of all secured demands more than 20%, we will release a corresponding portion of the collateral rights at the customer's request.
- 7.11. If the customer behaves in a manner contrary to contract, particularly in missing payment deadlines or transgressing an obligation described in the sections above, we reserve the right to withdraw from the contract and require the return of our goods.

#### 8. Returns

8.1. Returned goods are accepted upon agreement by us in advance and must be shipped prepaid. We accept no liability for unauthorised returns. After checking the returned goods, we will refund the customer a reasonable portion of the offer price, up to 85%. No refund can be considered for altered or processed goods.

8.2. Material that was specially finished or customised at the customer's request cannot be returned or refunded.

#### 9. Rights Regarding Defects

9.1. The customer must inspect delivered goods with reasonable thoroughness and test the operating characteristics of the delivered goods by means of a dry run as needed; any detected defects should be documented in writing and sent to us immediately, at latest within ten days of receiving the goods. Hidden defects should be immediately indicated in the same way upon their discovery. Otherwise the goods are considered implicitly approved. Any further customer obligations from HGB Par. 377 remain unaffected.

9.2. Insofar as a defect presented to us predates the sale, we are obligated at our prerogative to either eliminate the defect at our expense or to send a replacement.

9.3. If the subsequent fulfilment fails, the customer can at his prerogative announce to us his intention either to withdraw from the contract or to reduce the price. The customer is not entitled to cancel the contract for only minor defects.

9.4. If the customer chooses to withdraw from the contract after failed subsequent fulfilment due to legal or substantive deficiency, he is no longer entitled to claim compensation for damages in place of fulfilment. If the customer chooses compensation for damages in place of fulfilment after failed subsequent fulfilment, he retains the goods, if this is reasonable to him. The compensation is limited to the difference between the sales price and the value of the defective item. Further customer demands, regardless of legal basis, are excluded. This however does not apply to the customer's bodily injury or loss of health attributable to us or to loss of life.

9.5. For sales contracts, liability for defects extends one year from date of delivery of goods. This does not apply if the customer does not notify us of the defect in any timely manner as described in Section 9.1. For services at a building and for an item that was or is used for a structure in accordance with its normal application and caused the structure's deficiency, the liability for defects extends four years.

9.6. If the customer receives defective installation instructions, we are obligated only to deliver a defect-free set of instructions, and then only when the defect in the instructions prevents proper installation.

9.7. The customer receives no legal guarantees through us. For all devices we supply from third parties, the manufacturer's warranty applies. The warranties for these parts can be sent upon request.

9.8. Only the production description from the manufacturer is considered valid for the characteristics of the goods. Public statements, advertisements or marketing material from the manufacturer do not constitute contractual information regarding characteristics of the goods.

#### 10. Limits of Liability

10.1. For negligent delinquencies, our liability is limited to foreseeable, contractually customary, immediate average damages according to the kind of goods. This also applies to minor negligent delinquencies committed by our legal representatives or fulfilment assistants. We are not liable for minor negligent violation of inessential contract obligations.

10.2. Insofar as we negligently violate a contractually essential obligation, our compensation for damages to property and people is limited to the liability compensation of our product liability insurance.

10.3. These limits of liability do not affect the customer's claims arising from product liability. Furthermore, this does not apply to the customer's bodily injury or loss of health attributable to us or to loss of life.

10.4. Our liability complies exclusively with agreements in the sections presented above.

10.5. For sales contracts, customer claims to compensation for damages due to defect normally lapse after one year from the delivery of goods. For services at a building and for an item that was or is used for a structure in accordance with its normal application and caused the structure's deficiency, the customer's claims for compensation for damages due to defects lapse after four years. This does not apply if we are accused of gross fault, as well as in the case of the customer's bodily injury or loss of health or loss of life, and also not when we are accused of malicious intent.

#### 11. Security Deposit

If the customer demands a security deposit, this may not exceed 5% of the contract price and is limited to two years. However, we have the right to redeem the deposit via an absolute bank guaranty, so long as no written agreement to the contrary has been violated.

#### 12. Declaration of Conformity

Only products we deliver are subject to our declaration of conformity. Product augmentations or alternations undertaken by the customer are excluded herefrom.

#### 13. Commercial Trademark Rights and Copyrights

If goods are to be manufactured or delivered according to information, designs, diagrams, models or patterns that the customer has made available, the customer assumes the guarantee that commercial trademarks or copyrights are not being violated by the manufacture or delivery of these goods. If the manufacture or delivery executed by a third party under contract violates a commercial trademark or copyright, we will be violated by the manufacture or delivery. We are not obligated to inspect the legal position. We simultaneously exclude the customer's claim to compensation for damages, insofar as he is responsible for the violation of commercial trademarks or copyrights.

#### 14. Final Provisions

14.1. The law of the Federal Republic of Germany prevails. The stipulations of UN Commercial Law (CISG) are not applicable. If the customer is a merchant, legal public entity or legal public fund asset, our business location is the exclusive venue for all disputes arising from this contract. This also applies if the customer has no general venue in Germany, or his residence or habitual abode at the time of filing is unknown.

14.2. Should individual stipulations of the contract with the customer, including these general terms and conditions, be rendered wholly or partially ineffective, the validity of the remaining stipulations is not affected. The wholly or partially ineffective regulation shall be replaced by a regulation whose economic impact most closely matches that of the ineffective regulation.

The JET Group Family of Companies:

JET Tageslicht & RWA GmbH; JET RaWa GmbH; JET Lichtkuppel-Zentrum GmbH; JET Steinbrecher GmbH; JET Brakel Aero GmbH;