

1 General Remarks

- 1.1 The General Terms and Conditions of ilis apply to all contracts resulting from the business relationship with the contracting party, even if not explicitly made a subject matter of the contract in following business transactions. Any General Terms and Conditions of the contracting party are not accepted.
- 1.2 Collateral agreements as well as modifications and amendments to the contract and the General Terms and Conditions of ilis are only valid if confirmed by ilis in writing.

2 Conclusion of the Contract

- 2.1 Offers submitted by ilis are always subject to confirmation. A conclusion of the contract requires the written order confirmation by ilis.
- 2.2 Details in brochures and other descriptions of characteristics, dimensions, weights, consumption data, operating costs, velocities, etc. are to be regarded as approximative only, unless identified as binding explicitly and in writing. A guarantee of quality or a guaranty of durability (see § 443 German Civil Code) requires an explicit confirmation of ilis in writing.
- 2.3 ilis reserves the right to make improvements of or changes to the construction or design of the product.

3 Prices / Payments

- 3.1 The prices stated by ilis are fixed prices for a period of four months as of contract conclusion. Subsequently, ilis is entitled to charge the list price valid on the day of delivery.
- 3.2 All prices do not include packing, insurance and transportation costs, customs and excise dues.
- 3.3 All prices are in the currency EUR and exclusive of VAT in the legal amount, in case this is to be charged.
- 3.4 Payments are to be made net without any discounts or other deductions and in the currency agreed upon, immediately on the submission of the invoice.
- 3.5 If the contracting party is in delay with payment, ilis charges default interests to the amount of 9 percentage points above the basic rate of interest of the European Central Bank, reserving the assertion of further rights.
- 3.6 The setting off with counterclaims of any kind as well as the assertion of any rights of retention are excluded unless the counterclaim is undisputed or has a final and binding effect.
- 3.7 In the case of performance of work and services, ilis is entitled to demand reasonable partial payments for rendered services.

4 Delivery / Performance

- 4.1 Goods are delivered free carrier ilis Erlangen, Germany (FCA in accordance with INCOTERMS 2010).
- 4.2 Either Party shall be excused from performing its obligations under the contract if their performance is

delayed or prevented by any cause beyond such party's control, including, but not limited to, terrorist acts, fire, explosion, war, civil strife, riots, labor conflicts or government action ("Force Majeure"). Performance shall be excused only to the extent of and during the continuance of such disability. Each party shall promptly notify the other party in writing upon becoming aware of an event of Force Majeure as well as the expiration thereof. However, if the Force Majeure persists for a period of 90 calendar days after receipt of notice, the other party shall be entitled to withdraw from the contract in writing. Any claims for damages or other inconveniences shall be excluded.

- 4.3 The obligation of ilis to fulfill the contract is subject to the proviso that fulfillment is not precluded by any obstacle arising from national or international provisions of foreign trade legislation or embargoes (and/or other sanctions). If such an obstacle should arise, ilis shall be entitled to withdraw from or terminate the contract. Any claims for damages against ilis shall be excluded.
- 4.4 ilis does not assume any warranty for the adherence to delivery times. Any claims for damages, costs or other expenditures by the contracting party due to delay in delivery are excluded, unless such damages, costs or other expenditures have been caused by an intentional or grossly negligent behavior of ilis. This also applies if a grace period granted by the contracting party has elapsed. In any case, the contracting party's claims for damages, costs or expenditures are limited to a maximum of 5 per cent of the net order sum. ilis is not liable for indirect damages and untypical consequential damages.
- 4.5 Partial deliveries and part performances are permissible.

5 Retention of Title

- 5.1 The goods remain the property of ilis until the contracting party has paid the delivered goods and services and all the other receivables due to ilis having arisen or arising from the business relationship with the contracting party.
- 5.2 Resale is permissible only within the scope of an ordinary course of business. If the reserved property is resold, the contracting party at this moment assigns to ilis in full its purchase price claim against the acquiring party.
- 5.3 If the contracting party is completely or partly in delay of payment, stops payments, or if other legitimate doubts about its solvency or creditworthiness arise, it is no longer entitled to resell the goods. In such a case, ilis is entitled to rescind the contract and/or revoke the contracting party's collecting power against the receiver of the goods. ilis is then entitled to demand information about the receivers of the goods, to inform them of the transfer of receivables to ilis, and to recover the receivables of the contracting party against the receiver of the goods.
- 5.4 If the value of all the security rights granted to ilis in accordance with the provisions of these General Terms and Conditions exceeds the amount of all the claims secured by more than 20 per cent, ilis will relinquish a corresponding part of the security rights on the contracting party's request.

5.5 For the duration of the reservation of ownership, the goods in ilis' possession are to be insured by the contracting party against fire, water, theft and burglary. The rights from this insurance are assigned to ilis. ilis accepts this assignment.

6 Warranty / Limitation of Action for Claims

6.1 ilis is to be notified without undue delay in writing and in detail of any objections as to the delivered goods, namely obvious defects at the latest within one week after the receipt of the goods, latent defects at the latest one week after their discovery.

6.2 In case ilis is liable for a defect, the contracting party initially only has the right to subsequent performance, whereupon ilis reserves the right to choose whether to repair the defect or to replace the goods. ilis is entitled to enlist the assistance of third parties for the performance of the warranty obligations. In the case of simple rectifications of defects, especially in connection with the simple replacement of small parts, ilis is entitled to demand the contracting party to carry out this subsequent performance itself.

6.3 In case the subsequent performance fails twice, the contracting party has the right to reduce the contract price or to demand the cancellation of the contract.

6.4 Any and all parts subject to wear and consumption materials are excluded from any warranty if and insofar such wear and tear or consumption takes place in accordance with the intended use.

6.5 Any claims of the contracting party due to a defect of the delivered goods, the services rendered by ilis or proposals/advices within the scope of contracts become time-barred after twelve months, starting from the date of delivery or acceptance. The same applies for the limitation of action for claims based on the infringement of the duty to inform and/or to render advice.

6.6 Warranty claims and claims for damages in accordance with section 7 may not be assigned to third parties.

7 Damages

7.1 If ilis or a member of its executive staff is to be held liable for culpable misconduct or gross negligence, ilis is liable in accordance with the statutory provisions. The same applies in case of death of a person or personal injury or in case of claims in connection with product liability law.

7.2 In other respects, ilis is only liable for the infringement of essential contractual obligations or in the case of gross negligence by third persons whom ilis has engaged to perform the whole or a part of the contract. In these cases, the liability of ilis as to the amount is limited to the typical foreseeable damage.

7.3 Section 4 subsection 4.4 remains unaffected.

7.4 ilis is not liable for the restoration of data, unless their destruction was caused by ilis with intent or by gross negligence and the contracting party has made sure that the data can be reconstructed without unreasonable waste of time and money from data material kept in machine-readable form.

8 Assembly and Repair Work

8.1 The contracting party is billed for the services rendered in order to submit an estimate of cost as well as any further expenses incurred (troubleshooting is working time), if the repair cannot be carried out, not even in a modified form, due to circumstances beyond ilis' control.

8.2 The assembly or installation site is to be arranged in accordance with ilis' instructions so that the assembly work can be carried out as smoothly as possible. If the contracting party belatedly performs its contractually agreed obligation to co-operate, all additional costs are to be borne by the contracting party. This applies especially for additional costs in connection with travel expenses.

8.3 Water, gas and electric power are to be provided to the required extent free of charge. This also applies for the corresponding connections.

8.4 ilis is entitled to give out assembly work to third parties in whole or in part at its own option.

8.5 The contracting party is obliged to accept the assembly/repair work without undue delay as soon as it has been notified of their completion and a contracted testing of the assembly object has taken place. If the contracting party does not accept the performance within six working days after the notification, it is deemed to be accepted.

8.6 The provisions of sections 6 and 7 apply for assembly and repair works correspondingly.

9 Place of Performance, Place of Jurisdiction, Applicable Law

9.1 The place of performance for all contractual obligations is the principal office of ilis.

9.2 The place of jurisdiction for all disputes arising out of the contractual relationship is the principal office of ilis if the contracting party is a merchant in the sense of the German Commercial Code, a legal person under public law or a special fund under public law. ilis is, however, also entitled to bring an action at the seat of the contracting party at its own discretion.

9.3 The law of the Federal Republic of Germany applies to the contractual relationship exclusively. Application of the Vienna UN Convention on Contracts for the International Sale of Goods dated April 11, 1980 is excluded.

10 Software

For the delivery of software, the General Software License Terms of ilis apply additionally.

11 Severability Clause

If some of the provisions of these Terms and Conditions should be or become ineffective as a whole or in part, the validity of the other provisions is not affected.

12 Deliveries Effected by the Contracting Party

For deliveries and performances effected by the contracting party, the statutory provisions according to German law apply instead of sections 3 to 7.