

General Terms of Business of DFT Technology GmbH

I. Scope of application

1. Subject matter of the agreement

The General Terms of Business are applicable to the sale of all products of DFT Technology, also to installation work and labor abroad.

2. Existing business relations

These General Terms of Business are applicable to existing business relations without a renewed express reference for all business transactions indicated in Section 1.

II. Retention of title

DFT Technology retains title to the supplied articles until the customer has settled the claims to which DFT Technology is entitled on account of the agreement.

The retention of title applies to future claims of DFT Technology against the customer in connection with the agreement, such as repairs, supply of spare parts etc.

The retention of title covers claims of DFT Technology from ongoing business relations with the customer. At the customer's request, DFT Technology must waive the retention of title if payments from the customer have been received for the supplied systems and appliances or if there exists adequate security through the ongoing business relations with DFT Technology.

The customer is entitled to resell the purchased article in the course of its customary business dealings. The customer shall assign the claims, including the ancillary rights, which arise from the resale against third parties to DFT Technology. Title to the supplied articles shall only pass to the customer once it has settled the claims arising from the business relationship.

The customer must disclose to DFT Technology to which purchasers it has resold the goods and the amount of the claim which has thus arisen.

III. Warranty for supplied systems and appliances

1. Warranty period in the case of defects

The warranty period for defects to the supplied systems and appliances is stipulated in the agreement.

The warranty undertaking presupposes that the customer uses the systems and appliances in a one-shift operation of 8 hours per day, 5 days per week. In the case of a longer weekly operation period the warranty period stipulated in the agreement shall be reduced accordingly.

2. Prompt notification of defects

The customer must promptly notify DFT Technology of the defects in writing.

3. Recoverable losses and defects

The warranty is restricted to constructional, material and fabrication faults.

DFT Technology is not liable for losses which exceed the defects to the supplied systems and appliances and which are only visible in the customer's assets, e.g. loss of production and lost profit.

4. Guaranteed characteristics

DFT Technology is only liable for the absence of guaranteed characteristics if the guaranteed characteristics are expressly denoted as such in the confirmation of order.

5. Subsequent rectification

DFT Technology has the right to undertake the subsequent rectification of the defective parts or to replace them. The shipment of the replacement parts shall be effected on a carriage paid basis for the customer. The customer is obliged to return the replaced parts to Neumünster. The replaced parts shall pass back into the ownership of DFT Technology.

6. Fulfilment of the customer's obligations

DFT Technology is only obliged to undertake warranty if the customer has fulfilled the obligations incumbent upon it.

7. Alterations, repairs, subsequent rectification by the purchaser or by third parties

If the customer or a third party undertakes alterations, repairs or subsequent rectification to the supplied systems and appliances without the prior written approval of DFT Technology, then DFT Technology is released from its warranty obligation. It cannot be held liable for reimbursement of the costs.

If DFT Technology has to undertake the subsequent rectification at the place of installation, the customer shall bear the costs of transportation and labor of the fitters.

IV. Customer's obligation regarding the storage of the supplied articles

The customer must store the supplied articles in such a manner that they are protected against dampness, water and soiling. DFT Technology is not liable for damage which results on account of the storage.

V. Installation

1. Express agreement

The installation of the supplied systems and appliances must be expressly stipulated.

2. Remuneration

DFT Technology shall charge the installation in accordance with wage hours. The customer must pay the remuneration for the installation on a monthly basis. In the case of a shorter installation period the customer must pay for the installation after its completion.

The customer shall bear the costs for the transportation of spare parts and tools.

The fitters' travelling time shall be remunerated as working time.

In the case of installations which last longer than 14 days the customer shall bear the costs for the outward and return journey of the fitters to their place of residence every 2 weeks.

If a fitter falls ill, the customer must ensure the necessary medical care. The customer shall advance the costs. Upon presentation of the invoice the customer shall receive the costs reimbursed from DFT Technology.

3. Job statements

The customer must confirm the completion of the installation to the fitter. The customer must sign the job statement. If the customer does not sign, then the job statement shall become binding with the signature of the fitter.

4. Customer's obligations

The customer is obliged, in so far as is necessary, to provide at its own expense, assistants, skilled workers, building materials, tools, equipment and hoists, lighting, heating, operating power and incidental materials such as oil, wood, sealing materials, plastering materials and similar.

5. Delay in the installation

If the installation is delayed through no fault of DFT Technology, then the customer shall bear the costs which are incurred on account of the delay.

6. Acceptance

The customer is obliged to accept the installed systems and appliances without delay as soon as it has been notified of the completion by DFT Technology. If the agreement stipulates a trial run, then acceptance must be effected with the conclusion of the trial run.

If the acceptance is delayed through no fault of DFT Technology, then acceptance shall be considered to have been effected after the expiry of one week.

With the acceptance DFT Technology's liability for recognizable defects shall cease, unless the customer has reserved the right to assert these defects upon acceptance.

7. Extension of the installation period

If the installation is delayed due to circumstances amounting to force majeure, then a reasonable extension of the installation period shall automatically take effect. The customer must inform DFT Technology both of the occurrence and of the discontinuation of the circumstances amounting to force majeure.

8. Passing of risk upon installation

In the case of delivery with installation the risk of accidental loss of the installation service shall pass to the customer with the acceptance of the installed systems and appliances.

If the installation service perishes, deteriorates or becomes impossible before acceptance, without DFT Technology thus being to blame, then DFT Technology is entitled to demand the installation price minus the saved expenditure.

9. Liability for defects for installation work

DFT Technology is liable for installation defects which occur within 6 months after acceptance of the installation. The customer must notify DFT Technology of the defect without delay.

The liability for defects does not cover losses which only occur in respect of assets.

In other respects, Section III shall apply mutatis mutandis.

VI. Confidentiality

The parties undertake to treat in confidence the agreement, the appendices and other documents in connection with the processing of the agreement. The parties must similarly ensure the confidential treatment by their employees. The parties may not pass on technical and commercial information which they acquire in connection with the agreement to third parties. These obligations shall continue to apply after the termination of the agreement.

VII. Obligation to furnish information

The customer undertakes to inform DFT Technology without delay of the issuance of statutory regulations and other provisions, especially safety regulations, which come into effect after the conclusion of the agreement and which are significant for the performance of the agreement.

VIII. Supplementary provisions

1. Subsidiary agreements

Deviating agreements of the contracting parties shall take precedence over these General Terms of Business, provided they have been stipulated in writing.

2. ECE terms, Incoterms

In addition to these General Terms of Business, the General Conditions for the Supply of Plants and Machinery for Export No. 188 and the General Conditions for the Supply and Construction of Plants and Machinery for Import and Export No. 188A, occasioned and recommended by the UN Economic Commission for Europe, as well as the International Contracting Terms for the Repair of Plants and Machinery and the 2000 Incoterms, ICC publication no. 560 ED, shall apply to their full extent.

3. Amendments and supplements after the conclusion of the agreement

Amendments and supplements which the parties wish to effect after the conclusion of the agreement must be recorded and confirmed in writing.

4. Ineffectiveness of individual terms of the agreement

If individual provisions should be ineffective, then this shall not affect the effectiveness of the remaining contractual provisions. The ineffective provision is to be replaced by an effective provision in accordance with the agreement.

IX. Applicable law

The contractual relationship is governed by the law of the Federal Republic of Germany with the exception of private international law and the UN Sales Convention.

X. Place of jurisdiction

The arbitral tribunal of Hamburg Chamber of Commerce shall rule on all disputes arising from the contractual relationship in accordance with an arbitration agreement which is to be enclosed upon the conclusion of the agreement.

If an effective arbitration agreement cannot be reached, Hamburg is agreed upon as special jurisdiction.