

**Standard Terms
of
WayCon Positionsmesstechnik GmbH**

1. Scope

1.1 All contracts of WayCon GmbH (the "Supplier") with Purchasers are made under inclusion of the following Standard Terms, unless expressly agreed to the contrary in writing.

The same applies without any specific reference to all subsequent contracts.

1.2. The Supplier herewith expressly waives all standard terms of the Purchaser's.

1.3. Any agreements deviating from these Standard Terms must be in writing. Any oral agreements must be confirmed in writing immediately.

2. Offers, Documents, and Industrial Property Rights

2.1. Unless specified otherwise in the offer, offers are valid for a period of 60 days, subject to prior sale. The Supplier's explicit confirmation of the offer constitutes a delivery commitment.

2.2. Unless expressly specified as binding in the offer, all information on technical data, materials etc. are considered to describe approximate values customary within the industry. In case of modifications, the Purchaser will only be informed if the modification concerns a guaranteed property of the product.

2.3. Any and all documents made available to the Purchaser by the Supplier remain property of the Supplier; without Supplier's prior consent in writing, they must not be disclosed to third parties. If no order is placed, all documents plus any copies made must be returned immediately at Supplier's request.

2.4. Before taking the product in its possession and using it, the Purchaser shall check the information provided in catalogues, brochures, and other written documentation for suitability for the intended application. This also applies to the selection of suitable materials. The Purchaser shall make itself knowledgeable of the utilization options for the product.

2.5. The Supplier is not obliged to check data and/or specifications supplied by the Purchaser for correctness and/or conformity with statutory regulations; liability for such data or specifications lies exclusively with the Purchaser. This applies particularly to the liability for any violation of industrial property rights.

2.6. The Purchaser guarantees that the execution of the order will not violate any industrial property rights by way of Purchaser's or third-party drawings or samples, or products that were provided additionally. The Purchaser shall defend itself in any ensuing litigation at its own costs, and refund to the Supplier all expenses incurred.

2.7. Drawings, drafts and contributions made in the frame of advice provided during negotiations are not binding. The Purchaser cannot assert any claims whatsoever vis-a-vis the Supplier and its employees on the basis of such written material or advice provided, unless they acted with intent or gross negligence.

2.8. The Supplier shall invoice all requested samples at the costs actually incurred.

3. Order

Orders are only considered accepted when confirmed by the Supplier in writing. The [...] type and content of the order is as specified in the order confirmation. The Purchaser is obliged to check the order confirmation and to object immediately in writing in case of deviations.

4. Period and Scope of Delivery

4.1. The period of delivery starts as soon as all technical and commercial aspects have been clarified, and ends with the dispatch or the notification of readiness for dispatch. As a precondition for the Supplier's observation of the delivery period, the Purchaser must meet its obligations, in particular payment obligations.

4.2. In case of modifications requested by the Purchaser, the delivery period shall start anew on the date of the modified order confirmation.

4.3. The Supplier shall not take liability for delay of delivery caused by Force Majeure and similar incidents, or by unforeseeable events not attributable to Supplier, e.g. refusal of official permits, labour disputes etc.
Delivery periods will extend for the duration of the impediment.

4.4. In case of non-observance of the delivery contract or of delayed delivery, also after expiry of a deadline set by the Purchaser, the Supplier shall be liable only insofar as it acted intentionally or with gross negligence, or violated cardinal contractual obligations. This clause does not involve a change of the burden of proof to the disadvantage of the Purchaser.

4.5. The Purchaser's right to withdraw from the contract after unsuccessful expiry of a deadline set for the Supplier shall remain unaffected.

4.6. Partial deliveries are permitted as far as the Purchaser can be reasonably expected to accept them.

5. Place of Delivery, Passing of Risks

5.1. Products are delivered ex Supplier's manufacturing site at Purchaser's costs and risk. Unless specified by the Purchaser, the Supplier shall choose a type of transport in its equitable discretion.

5.2. In case of delivery without installation or mounting, even if the parties agreed on carriage prepaid, the risk in the delivery item passes to the Purchaser when the products are handed over to the Purchaser, the forwarder or carrier, at the latest when the products leave our premises or warehouse. In case of delayed acceptance by the Purchaser, the risk passes at readiness for dispatch, even if the delayed acceptance occurs after readiness for dispatch. At Purchaser's request and expense, the Supplier shall insure the delivery against breakage, transport damage, and fire.

5.3. In case of delivery with installation or mounting, the risk in the delivery item passes on the day the Purchaser takes it over in its own establishment.

6. Prices

All prices are valid ex works plus freight/postage, packaging, insurance, and plus the applicable statutory VAT. Costs for commissioning, installation, set-up or similar services will be invoiced separately.

7. Payment

7.1. Unless agreed otherwise, the agreed price is payable in EURO within 14 days after its due date and after receipt of an invoice or similar request for payment, in case of prepayment within 14 days after conclusion of the contract, without any deductions and expenses. The Purchaser shall bear all risks and costs involved in the payment process.

7.2. In case of delayed payment, default interest in the amount of 8 per cent points above the base rate of the European Central Bank will be charged. The Purchaser has the right to prove that the actual damage is smaller than that.

7.3. The Purchaser can offset any outstanding amounts only against undisputed or legally established claims.

7.4. Costs for securities, Letter of Credits for international transactions etc. are paid by the Purchaser.

8. Liability

8.1 Liability for defects

8.1.1 Immediately after receipt, the Purchaser shall check the products for defects. The Supplier shall be notified in writing of any apparent defects within 5 work days, and of hidden defects within 5 days after detection.

8.1.2 In case of defects in the Supplier's products of which the Supplier is notified within 18 months after commissioning and not later than 24 months after passing of risk, the Supplier shall provide supplementary performance by rectification or, at its own option, delivery of a new product. Replacement delivery is also possible after repeated unsuccessful attempts at rectification. The Supplier must be given reasonable time and opportunity for supplementary performance.

8.1.3 If the defect cannot be remedied within a reasonable period of time, the Purchaser has the right to withdraw from the contract or to demand a reduction of the sales price.

8.1.4 For defects that the Purchaser could have detected with reasonable time and effort before installation or processing, all claims from liability for defects become void after the product has been processed or installed.

8.1.5 The Supplier does not guarantee a certain useful life of the products, and particularly not under aggravated and previously unknown operating conditions. Claims for premature destruction are excluded.

8.1.6 For products manufactured pursuant to Purchaser's drawings or specifications, the Supplier only assumes liability for defects in respect of execution in accordance with the specification. Mandatory liability pursuant to the German Product Liability Act as well as for intent and gross negligence remains unaffected.

8.1.7 Liability for defects does not apply to natural wear and to damage occurred after passing of risk as a consequence of incorrect or negligent handling or of application other than in conformity with specification or contract.

8.1.8 Liability for defects that do not or only insignificantly impair the value or usability of the product is likewise excluded.

8.1.9 Right of recourse pursuant to §§ 478, 479 BGB (German Civil Code) only applies within the limits of statutory regulations and as far as the Purchaser was justified in invoking it, but not in respect of goodwill arrangements not coordinated with the Supplier; furthermore, it only applies if the party entitled to recourse met its own obligations, particularly in view of notification of defects.

8.2. Other liability

8.2.1 Any claims by the Purchaser for damages and reimbursement of expenses for any legal reason – including claims arising out of tort, claims for compensation for loss or consequential loss due to defects, for culpable violation of secondary contractual duties, or for lost profits – are excluded. This does not apply insofar as the Supplier, its managers or vicarious agents are culpable of intent, gross negligence, or damage resulting from death and injury to body and health, if the Supplier is liable for violation of a cardinal contractual duty, or if liability is mandatory pursuant to the German Product Liability Act.

8.2.2 In case of violation of cardinal contractual duties not attributable to intent or gross negligence, or not causing damage resulting from death and injury to body and health, or from the failure to provide a guaranteed property of the product, liability is limited to the compensation of the foreseeable damage that is typical for this type of contract.

8.2.3 If the Purchaser contributes material to the production of products ordered by it, such material at the Supplier's premises is only insured against theft. The Supplier shall be liable for the loss or deterioration of such material only in case of Supplier's intent or gross negligence.

8.2.4 Advice given to the Purchaser by the Supplier, particularly on the utilization of the delivery item, is only binding for the Supplier if given or confirmed in writing.

8.2.5 If the item bought from the Supplier needs to be repaired, the Purchaser is not entitled to damages for loss of production while the Supplier repairs the item. This also comprises the time for transport of the item from the Purchaser to the Supplier and back.

8.2.6 The statutory regulations on burden of proof remain unaffected.

9. Reservation of Title

9.1. The supplied product (the "joint product") remains the property of the Supplier until full payment of all due claims that the Supplier possesses or acquires from the business relation with the Purchaser. As long as reservation of title is applicable, Purchaser is not entitled without Supplier's consent to pledge, assign as security, or relinquish the claim on the product subject to retention of title. The Supplier must be informed immediately of any third-party pledging.

9.2. If the Purchaser processes the product subject to retention of title to create a new item ("joint product"), such processing is done for the Supplier. Any acquisition of ownership by the Purchaser pursuant to § 950 BGB is excluded. If the joint product is processed, mixed, or transformed with items not belonging to the Supplier, the Supplier acquires joint ownership in the new item in the ratio of the products supplied by it and the other products at the time of processing. The Purchaser shall keep the new item safe for the Supplier with the diligence of a prudent businessman.

9.3. The new item is considered a joint product in the sense of this clause. The Purchaser herewith assigns its claims from a resale of these new joint products to the Supplier to the amount of the value corresponding to the value of the joint products in the new item, in the ratio of the invoiced amount of the joint products and the products contributed by third parties. If the new item is resold together with other products not belonging to the Supplier for a total price, the Purchaser herewith assigns its claims from the resale to the amount of the Supplier's share corresponding to the value of the joint products in the total delivery.

9.4. The Purchaser shall likewise assign to the Supplier all claims for securing any claims against it arising vis-a-vis a third party from the combination of the joint product with a plot of land.

9.5. The Purchaser is revocably entitled to collect the claims arising from resale in the course of an ordinary business transaction. Independent of the above, the Supplier has the right to collect claims itself if the Purchaser violated its contractual obligations, in particular if it is in default. On request, the Purchaser shall name the debtors of the assigned claims and notify them of the assignment. The assertion of the reservation of title and in particular the demand that the products be returned is only considered withdrawal from the contract if expressly stated to constitute such withdrawal.

9.6. On Purchaser's request, the Supplier undertakes to release at its discretion the securities to which it is entitled insofar as the liquidable value of these securities exceeds the claims to be secured by more than 10%.

10. Place of Jurisdiction

10.1. This contract is exclusively subject to the law of the Federal Republic of Germany under exclusion of the UN Convention on Contracts for the International Sale of Goods (UNCITRAL law on sale of goods). The contract language is German.

10.2. If the Purchaser is a merchant, a body corporate organised under public law, or a special fund under public law, place of jurisdiction for both parties is the respective place of trial, i.e. Supplier's headquarters. This shall also apply to actions filed under the summary proceedings based on bills of exchange, promissory notes and checks. The Supplier has the right to bring charge against the Purchaser at any other legal place of jurisdiction.

11. Severability Clause

The invalidity of individual clauses of these Standard Terms does not affect the validity of the remaining clauses. Should a clause be or become invalid, the parties shall replace the invalid clause by an effective clause that is as close as possible to the economic and legal intent of the original clause.

Taufkirchen, on 15/01/2009