

LTN General Conditions of Sale (April 2002)

For the delivery of all new products by LTN Servotechnik GmbH (hereafter referred to as LTN), as well as all associated services, including delivery, installation and mounting services, the following apply:

- The "General Conditions for the Supply of Products and Services of the Electrical and Electronics Industry" of the Zentralverband der Elektroindustrie (ZVEI = German electrical and electronic manufacturer's association), as of January 2002 (hereafter referred to as the ZVEI Conditions), as well as
- The "Supplementary Clause: Extended Retention of Title" from the ZVEI, dated June 1999.

We will make these documents available upon request, as well as

- The following supplementary Conditions of Delivery.

General conditions from the Customer are not recognized. In case of contradictions, the following supplementary Conditions of Delivery have precedence over the ZVEI Conditions.

- (1) Above and beyond the express warranty of the ZVEI in Clause VIII of the "General Conditions for the Supply of Products and Services of the Electrical and Electronics Industry" (dated January 2002), and independent hereof, within 24 months of delivery, faulty LTN devices will be repaired or replaced (at the sole discretion of LTN), unless these are parts subject to normal wear and tear, or the Customer caused the malfunction himself, or the product was operated outside of the specifications. Repair and replacement are both made at LTN. Further claims by the Customer, such as damage and compensation claims, cannot be derived from the above-mentioned clause; legal and other contractual claims, especially the express warranty of the ZVEI in Clause VIII, are not affected.
- (2) LTN retains the right to change or modify the service promised, as long as the change or modification, taking into account the interests of LTN, is reasonable for the Customer, especially if it is a customary modification or change.
- (3) Dates identified in the offer, offer confirmation or shipping documents, as "Agreed date" or "Confirmed date" are legally binding dates, meaning that LTN would be in default regarding any delays in delivery by said date, unless LTN could prove that LTN is not responsible for the delays. Dates identified in the offer, offer confirmation or shipping documents, as "Planned date" or "Customer request date" are not legally binding dates, meaning that a separate complaint by the Customer is necessary in case of delay.
- (4) The design and properties of a new product are elucidated in the LTN catalog descriptions. The basis for ordering from LTN is the catalog edition valid at the time the contract is made. However, design and property information provided in quotations for products actually ordered takes precedence.
- (5) (5) If the product ordered by the Customer is a prototype or a pilot product (hereafter collectively referred to as a non-series product), then it has not been built in the normal flow of series production nor

has it been inspected and tested as a series product. Use of a nonseries product is at the sole risk of, and danger to, the Customer, according to whose specific instructions the product was delivered in the form of a non-series product. It is therefore the Customer's responsibility to ensure that the non-series product is not used in active production equipment, but only in a sufficiently protected test environment. LTN is liable for damages caused by a nonseries product only in cases of intent or gross negligence leading to physical damage, injury to health, or loss of life. The same applies if LTN provides software not yet released for productive application to the Customer for test purposes.

- (6) If goods ordered by the Customer include software that was not created or modified by LTN (third-party software), then the license requirements of the manufacturer of the third-party software apply, which LTN will make available to the customer if they were not included with the software. The LTN General Conditions of Sale apply to this type of software regarding the delivery relationship between LTN and the Customer.
- (7) In all actions regarding delivery and services, the Customer will
 - comply with all operating manuals and other instructions from the manufacturer and/or LTN;
 - employ only qualified operating and monitoring personnel;
 - conduct scheduled maintenance and care services according to the operating instructions and enter the results in the maintenance log;
 - inspect the software and machines or machine parts and the results achieved therewith, investigating anything out of the ordinary, and
 - test them carefully and according to the latest rules of technology, at first in non-productive use, and use them productively only after testing has been completed successfully and the agreed-upon specifications are followed if these products, even and especially software, have been developed specifically for the Customer;
 - inspect for errors any information given to LTN by the Customer for products to be manufactured, such as reports, documentation, sketches and other proposals. LTN will make such an inspection only in exceptional cases, if such an action was agreed upon;
 - immediately notify LTN after discovering any problems that were not noticed at the time of delivery, including a written description (as exact as possible) of the problem, how it occurred, and any effects thereof;
 - inform LTN and give LTN the possibility to take reasonable correctional measures, especially to inspect and replace defective parts, before the Customer incurs any repair costs;
 - provide the equipment necessary for using the delivered goods in a timely manner in the current and required version, as well as any other required products from third parties.

End of General Conditions of Sale