

## **1. CONTROLLING PROVISIONS**

a. No terms and conditions other than the terms and conditions contained herein shall be binding upon heat 11 GmbH & Co. KG (Seller) unless accepted by it in a writing signed by the Seller.

b. All terms and conditions contained in any prior oral or written communication, including, without limitation, Buyer's Purchase Order, which are different from or in addition to the Purchase Order agreed and signed by Seller and Buyer and/or the Terms and Conditions contained herein are hereby rejected and shall not be binding on Seller.

#### 2. PAYMENT TERMS

a. Buyer agrees to pay for the products and services according to the payment terms as contained in the Purchase Order. In the event Buyer fails to make any payment to Seller when due, Buyer's entire account(s) with Seller shall become immediately due and payable without notice or demand.

b. All past due amounts are subject to service charges at the rate agreed upon by the parties, otherwise at the maximum contract rate permitted by law.

c. Buyer does hereby grant Seller a purchase money security interest in the products until such time as Seller is fully paid. Buyer will assist Seller in taking the necessary action to perfect and protect Seller's security interest. No products and services furnished by the Seller shall become a fixture by reason of being attached to other machines or to real estate.

# 3. **REMEDIES OF SELLER:**

a. Upon default by Buyer, Buyer agrees to reimburse Seller all attorney fees and court costs incurred by Seller in connection therewith. Buyer agrees that any of the following shall constitute an event of default which shall enable Seller, at its option, to cancel any unexecuted portion of this Order or to exercise any right or remedy which it may have by law:

- (a) the failure of Buyer to perform any term or condition contained herein;
- (b) any failure of Buyer to give required notice;
- (c) the insolvency of Buyer or its failure to pay debts as they mature, an assignment by Buyer for benefit of its creditors, the appointment of receiver for Buyer or for the materials covered by this Order or the filing of any petition to adjudicate Buyer bankrupt;

termination of existence of Buyer;

- (e) a failure by Buyer to provide adequate assurance of performance within ten (10) days after a justified demand by Seller or
- (f) if Seller, in good faith, believes that Buyer's prospect of performance under this Agreement is impaired.

All rights and remedies of Seller herein are in addition to, and shall not exclude, any rights or remedies that Seller may have by law. In the event it becomes necessary to incur any expense for collection of any overdue account, reasonable collection charges, including reasonable attorneys' fees, will be added to the balance due and Buyer shall pay all such charges.

## 4. DELIVERY, NO DAMAGES FOR NON DELIVERY

a. Seller will make a good faith effort to complete delivery of the products and services as indicated by Seller in writing. Aside the liquidated damages agreed in the Purchase Order Seller assumes no responsibility or liability for loss or damage due to delay or inability to deliver, including, but not limited to, liability for Seller's non-performance caused by acts of God, war, labor difficulties, accidents, inability to obtain materials, delays of carriers, contractors or suppliers or any other causes of any kind whatever beyond the control of Seller.

b. Under no circumstances shall Seller be liable for any special, consequential, incidental, or indirect damages, losses, or expense (whether or not based on negligence) arising directly or indirectly from delays or failure to give notice of delay.

# 5. RECOMMENDATIONS BY SELLER

Buyer acknowledges that Seller does not make any representations, warranties and/or guaranties of any kind or character, expressed or implied, other than specifically contained in the Purchase Order.

#### 6. INDEMNIFICATION

Buyer shall at its own expense apply for and obtain any permits and inspections required for the installation and/or use of the products and services. In this respect Seller makes solely the representations as contained in the Purchase Order.

Seller shall not be responsible for any losses or damages sustained by the Buyer or any other person as a result of improper installation or misapplication of the products and services.

## 7. QUALITY ASSURANCE

a. The sole and exclusive remedy for products and services alleged to be defective in workmanship or material will be the replacement of the product or service subject to the manufacturer's inspection and warranty obligations as provided for in the applicable law.

b. Under no circumstances shall Seller be liable for any special, consequential, incidental, or indirect damages, losses, or expense (whether or not based on negligence) arising directly or indirectly from deficiencies in quality of delivered product and/or services.

# 8. SHIPMENTS

If not expressly otherwise agreed in the Purchase Order all products and services are shipped F.O.B., point of shipment. Risk of loss shall transfer to the Buyer upon tender of goods to Buyer, Buyer's representative, or common carrier. The cost of any special packing or special handling caused by Buyer's requirements or requests shall be added to the amount of the Order. If Buyer causes or requests a shipment delay, or if Seller ships or delivers the products and services erroneously as a result of inaccurate, incomplete or misleading information supplied by Buyer or its agents or employees, storage and all other additional costs and risks shall be borne solely by Buyer. Claims for products and services damaged or lost in transit should be made by Buyer to the carrier, as Seller's responsibility ceases upon tender of goods to Buyer, Buyer's representative or common carrier.

# 9. TAXES

The amount of any sales, excise or other taxes, if any, applicable to the products and services shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with an exemption certificate acceptable to the taxing authorities. Any taxes which Seller may be required to pay or collect under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use or consumption of any of the products and services, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Buyer, who shall promptly pay the amount thereof to Seller upon demand.

(d) the death, incompetence, dissolution or



#### **10. SEVERABILITY**

These terms and conditions of sale shall not be construed against the party preparing them, but shall be construed as if all parties jointly prepared these terms and conditions of sale and any uncertainty or ambiguity shall not be interpreted against any one party. If any provision hereof is held to be illegal, invalid or unenforceable under any present or future laws, such provision shall be fully severable and the terms and conditions herein shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part hereof. The remaining provisions herein shall remain in full force and effect and shall not be affected by such illegal, invalid or unenforceable provisions or by their severance herefrom.

#### **11. ENTIRE AGREEMENT**

a. This document constitutes the entire, complete, and exclusive agreement between the parties with respect to the subject matter hereof and contains all the agreements and conditions of sale; no course of dealing or usage of the trade shall be applicable unless expressly incorporated herein.

b. The terms and conditions contained herein may not be added to, modified, superseded or otherwise altered except by a written modification signed by the Seller's Branch Manager. All transactions shall be governed solely by the terms and conditions contained herein.

#### 12. DISPUTES, APPLICABLE LAW

a. Any dispute arising out of or in connection with the Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules.

b. The place of arbitration shall be as specified in the Purchase Order and the arbitration proceedings shall be conducted in the english Language.

c. The Contract shall be governed by the law of the country or other jurisdiction specified in the Contract, or, if not specified, the country or jurisdiction of the Seller. The application of the United Nations Convention on the International Sale of Goods (CISG) shall be expressly excluded.

Bielefeld, May 16, 2011