

TERMS AND CONDITIONS OF SALE

Terms and conditions of sales of silicet AG, Lindenbergstr. 30, D-34253 Lohfelden, Germany, herein after referred to as Seller.

1. CUSTOMERS'S TERMS AND CONDITIONS

The terms and conditions stated herein shall prevail not with standing any alternative or conflicting terms of conditions which may be submitted by Customer.

2. QUOTATIONS AND PRICES

Seller's prices and Quotations are subject to the following:

- (a) All published prices are subject to change without notice.
- (b) Unless otherwise stated in writing, all quotations expire thirty (30) days after date thereof, may be terminated earlier by notice and constitute only solicitations for offers to purchase.
- (c) Unless otherwise stated in writing by Seller, all prices quoted shall be exclusive of transportation, insurance taxes license fees, customs fees, duties and other charges related thereto and Customer shall indemnify Seller and hold Seller harmless therefrom.
- (d) Prices quoted are for Products only and do not include technical data, proprietary rights of any kind patent rights, qualification, environmental to others than Seller's standard tests and other than Seller's normal domestic commercial packaging.
- (e) Published weights and dimensions are approximate only.

3. TERMS OF PAYMENT:

All payments have to be effected without any deduction to our account within (30) days from date of invoice. For deliveries going abroad we reserve the right to demand prepayment for the first order. For all further deliveries payments have to be effected within 10 days after receiving the goods. Subject to modifications.

4. PROPERTY IN GOODS:

- (a) The property in the Products shall not pass to the Customer until settlement in full of the contract price together with any interest and any other sums due from the Customer on any account whatsoever and in the case of payment by cheque bill of exchange or promissory note until the same has been honoured.
- (b) In the event that any of the Products shall be in any way adapted by the Customer or any third party into any other products the customer shall pending the sale of the Products so adapted or of such composite goods hold the same as security for payment to the seller of all moneys due to it in respect of the Products
- (c) Any moneys received by the customer from resale of the Products whether in the original state in which they were received from the Seller or so adapted as afore said or from the sale of such composite goods shall be held by the Customer to the Seller in respect thereof.
- (d) The Customer shall if so requested by the Seller assign to the Seller all rights the Buyer may have against any subsequent purchaser for payment for the Products whether in the original state in which they were received from the Seller or so adapted as aforesaid or for such composite products and any other rights and claims against such a purchaser in connection therewith.
- (e) In the event of any default by the Customer in payment of the contract price Seller shall (without prejudice to any other rights) be entitled to repossess and/or resell the Products and to take possession of and/or resell any such mixed goods or composite products and for such purpose Seller shall be at liberty to enter upon any land, buildings, structures or installation of the Customer.

5. TRANSPORTATION AND RISK OF LOSS

Seller reserves the right to ship Products freight collect and to select the means of transportation and routing Unless otherwise advised Seller may insure to full value of the Products or declare full value thereof to the transportation company at the time of shipment and all freight and insurance costs will be for Customer's account. Risk of loss and damage shall pass to Customer upon delivery at point of manufacture or at such other place as Seller shall specify in writing, notwithstanding insurance, transportation or installation by or under supervision of Seller. Confiscation or destruction of or damage therefor. All Products must be inspected upon receipt and claims should be filed with the transportation company when there is

manufactured to specifications set by Seller and furnished hereunder constitutes an infringement of any patent or other industrial property rights of the NL. Seller will pay all damages and costs either awarded in a suit or paid, in Seller's sole discretion, by way of settlement, which are based on such claim of infringement, provided that Seller is notified promptly in writing of such claim of infringement and is given full authority information and assistance in setting or defending such claim. 'Seller shall have no liability whatsoever hereunder with respect to any claims settled by Customer without Seller's prior writing consent. In the event that Seller is required to hold Customer harmless hereunder. Seller will in its sole discretion and at its own expense either procure for Customer the right to continue using the Product, replace it with a noninfringing Product or remove it and refund an equitable portion of the selling price and transportation costs thereof. This shall constitute Seller's entire liability for any claim based upon or related to any alleged infringement of any patent or other industrial property rights. Customer shall hold Seller harmless against any expenses lost costs of damages resulting from claimed infringement of patents trademarks or other industrial property rights arising out of compliance by Seller with Customer's design, specifications or instructions. Seller disclaims liability for any patents or copyright infringement arising from use or manufacture by anyone of inventions in connections with products or service sold, used or intended for sale or use in performing contracts or related subcontracts.

9. WARRANTY:

Seller customarily warrants that each standard Product sold by it is free of the facts in materials and workmanship's. Seller's obligation under said warranty continues for a period of time and under such conditions as specified in Seller's warranty for the individual Product. If no period of time is stated, then such warranty is limited to twelve (12) months from the date of delivery. Unless otherwise specified on the face hereof or otherwise mutually agreed in writing Seller's applicable standard warranties are incorporated herein by this reference. Repair or at Seller's option, replacement of defective parts shall be the sole and exclusive remedy under warranty: provided that Seller may as an alternative, elect to refund an equitable portion of the purchase price of the Products. This warranty shall not apply to:

- (1) any products which have been materially altered otherwise then by Seller:
- (2) any Products have been subject to accident or damage caused by any negligent act or omission or circumstances beyond the control of ?Seller or by improper maintenance, storage or by other abnormal use or service.

And in addition, the warranty for Products replaced or repaired pursuant to the provisions hereof shall be only for the unexpired portion of the original warranty period. This warranty is expressly in lieu of and excludes all other express or implied conditions particular purpose, use or application, and all other obligations or abilities are expressly agreed to in writing by Seller. Some experimental development or special application products or products with a lifetime requirement, are sold without warranty in such case. Seller warrants that the Products meet applicable specifications when shipped by Seller but Seller shall have no other or further responsibility therefore whatsoever.

10. WARRANTY REPLACEMENT AND ADJUSTMENT:

- (a) Customer shall notify Seller at its office at Lohfelden, Germany, of any warranty claims. At the option of the Seller (to be notified to Customer) Customer shall either:

- (1) return the Product which is the subject of the claim at Customer's risk and expense to Seller at its address or to such other address as the Seller may direct or:
- (2) hold such Product for inspection by Seller
- (b) If the Product has been returned without cause it will be returned at Customer's expense in addition, Seller may charge for

evidence of loss or damage either concealed or external.

6. PERFORMANCE:

Dates indicated for delivery or other performance represent Seller's best estimate. Seller shall not be responsible for any delay or inability to perform due to prior orders technical difficulties strike, lockout, not, war, fire, act of God, accident, subcontractor supplier or Customer caused delays, inability to obtain sufficient labour, materials or manufacturing facilities, compliance with any law, regulation or order. Whether valid or invalid, or due to any other circumstances or causes either unforeseen or beyond Seller's control. Time for Seller's performance shall be suspended during any such delay, provided that if any such delay on a contract for standard products exceeds four (4) months, and at such time further delay expected by Seller is either material or indefinite either party may terminate the contract upon written notice to the other. Seller reserves the right in its sole discretion to allocate inventories and current production and substitute suitable materials when necessary due to any such circumstances or causes. Where performance requires Seller to meet Customer specifications, or where development or engineering work of any kind is required for performance. Seller shall use its good faith efforts to meet the specifications and other requirements agreed to in writing. In the event, however it is determined by Seller in Seller's reasonable judgement that such specifications or requirements cannot be accomplished by Seller within the contract price or delivery dates specified. Seller shall notify Customer in writing of such circumstances, including Seller's best evaluation as to what performance if any could actually be obtained within the contract price and the estimated time to complete. Within ten (10) days of receipt of such notice Customer shall notify Seller in writing as to whether Customer accepts such substitute performance at the contract price or whether it desires to cancel the contract in the event Customer desires to cancel. Customer shall be entitled to a refund of all payments made with respect thereto and upon termination and repayment neither party shall be in any way obligated to the other, whether for damages, costs of procurement, or otherwise. The foregoing shall be the sole remedy of the parties for the circumstances specified.

7. ACCEPTANCE:

Each Product furnished by Seller shall be deemed accepted by Customer unless notice of the fact of nonconformity is received by Seller within twenty (20) days of receipt of the Product at Customer's designated receiving: provide that products for which agrees in writing to provide installation by its personal shall be deemed accepted by Customer upon completion by Seller of its applicable acceptance tests or execution of Seller's acceptance form by Customer. Notwithstanding the foregoing use of any such products by Customer, its agents, employees or licensees, for any purpose after receipt thereof shall constitute acceptance of the product by Customer.

8. PATENTS AND OTHER INDUSTRIAL PROPERTY

RIGHTS: Seller will hold Customer harmless as set forth herein in respect of any claim that the design or manufacture of any Product in Seller's commercial line of Products or

testing and examination

11. LIABILITY:

- (a) The Seller shall not be liable for:
- (1) Death or personal injury caused solely by the negligence of Seller.
- (2) Death or personal injury caused partly by the negligence of Seller, but only to the extent of such liability which fairly and proportionally represents the extent to which the negligence of Seller caused such death or personal injury and Customer will indemnify Seller against such portion of liability which represents the extent to which Customer caused or contributed towards such death or injury.
- (b) Notwithstanding anything to the contrary contained herein, the warranty in clause 10 and the liability referred to in clause 11(a) constitutes the full extent of Seller's liability in respect of the sale, supply, use repair and operation of the Products or in respect of any other matter in connection with the Products and accordingly Seller shall in no circumstances be liable for any indirect consequential, special or incidental loss, or damage, or injury of any kind whatsoever or wheresoever (including without limitation, loss of profits, revenue or contracts).
- (c) Save where liability directly arises pursuant to clause 11(a) hereof and to the extent permitted by law, Seller's liability for damages shall in no circumstances exceed the payment, if any received by Seller for the unit of Product or service furnished or to be furnished, as the case may be, which is the subject of claim or dispute.

12. APPLICABLE LAW AND JURISDICTION:

All contracts shall be construed under and governed by **German Law**.

13. SEVERABILITY:

If any condition or part thereof shall be found to be invalid in effective or unenforceable, the invalidity, ineffectiveness or unenforceability of such condition shall not so far as possible effect any other condition or part thereof and accordingly all such conditions or part thereof shall remain in full force and affect.

08/2010