

1. Scope

1.1 Supply contracts shall, as far as not otherwise expressly agreed upon, be accepted and carried out according to the following sales and delivery conditions. This also applies to all subsequent contracts without further reference. Precious metal sales, repairs and assembly are subject to special conditions.

1.2 We (from now on called the supplier) contradict expressly all commercial trade conditions of the customer.

1.3 Arrangements amending these conditions shall be stated in writing. Verbal agreements shall immediately be confirmed in writing.

2. Sales, sales brochures and commercial protection

2.1 Sale offers, unless stated otherwise, are valid for a period of 4 weeks or as long as stocks last. The supplier is only obliged to supply after an expressly issued confirmation of the order.

2.2 In the absence of any particular reference in the sales offer, technical data, material used, etc. and standard values used in the trade should be assumed. Notification in the case of a variation will only be given when the product integrity warranty is affected.

2.3 All documentation provided to the customer by the supplier remains the property of the supplier. It should not be made available to third parties without the prior written permission of the supplier. If an order is not placed with the supplier and if requested by the supplier, all documentation including any copies that may have been made must be returned to the supplier without delay.

2.4 It is the responsibility of the customer to check all data contained in catalogues, sales brochures and published documentation that the intended application is suitable and appropriate, before acceptance and use. This also applies to the choice of suitable materials. The customer must ensure that the use of the product is appropriate.

2.5 The supplier is not duty-bound to check the correctness and/or legal conformity of the requirements and/or assumptions of the customer, as this is the sole responsibility of the customer. This applies in particular in the case of possible litigation for a breach of commercial protection laws.

2.6 The customer guarantees, that the execution of the contract does not result in any breach of commercial law by the use of components, drawings or samples supplied by the customer or third parties. The customer will conduct any possible defense procedures at his own expense and will compensate the supplier for any expenses resulting from such action.

2.7 Drawings, developments and discussion papers, which are generated in the course of contractual negotiations as an advisory service, are not binding. The customer cannot make demands based on such documents or services given by the supplier or his agents, except in the case of culpable intent or gross negligence.

2.8 Requested samples shall be billed by the supplier according to expense incurred.

3. Contract order

3.1 Orders constitute a valid contract only after written confirmation of the supplier. The extent of the contract, thus generated, is determined by the actual text of the confirmation. The customer is obliged to check all relevant detail and draw attention to any discrepancy in writing.

3.2 Annual or call-off orders that provide a certain quantity, commit the customer to take over the total quantity within the agreed period. Without an explicit agreement, the agreed quantity is to be called off within one year.

Subject to any other explicit arrangement, every call-off order is to be executed with a delivery time of four weeks.

Should the customer through no fault of his own not be able to call off the amount within the time limit, he is obliged to pay all charges incurred to the supplier due to his confidence in the validity of the contract and the call-off of the total quantity. These charges include unamortized development costs, machine and tool acquisition or amortization costs, costs for already acquired material without any further use for the supplier.

The customer must prove the existence of circumstances which exclude the customer's own fault.

4. Delivery period and extent

4.1 The delivery period starts when all technical and commercial questions have been resolved and terminates with the dispatch or the notification of dispatch. Maintaining delivery schedules assumes the fulfillment of obligations by the customer, particularly in respect to payments.

4.2 Customer initiated amendments to the supply contract cause the delivery schedule to recommence with the date of the revised confirmation of the order.

4.3 The supplier does not accept responsibility for any delivery delays in respect to acts of God or events not caused or predicted by the supplier, such as non-issue of permits by government instrumentalities, strikes etc. Delivery schedules are extended by the extent of the difficulty.

4.4 The supplier accepts liability for not maintaining the delivery schedule or for delayed delivery, including delivery scheduled by the supplier only in the case of willful intent, gross negligence or a breach of essential contractual duty. However, this implies no change to the requirement of proof at the disadvantage of the customer.

4.5 The right of the customer to cancel an order after the passing of an appropriate delivery deadline agreed to by the supplier is not affected.

4.6 Partial delivery is deemed acceptable at minor inconvenience to the customer.

5. Point of delivery, risk transfer

5.1 Delivery is affected from the place of production of the supplier at the expense and risk of the customer. The means of delivery is chosen at the discretion of the supplier according to usual practice, unless the customer has made a particular request.

5.2 In the case of delivery without any installation or erection, the risk in respect of the delivered items, even if free delivery had been agreed to, transfers to the customer, transport company or transport driver, or at the latest at the point of leaving the factory or store. If acceptance by the customer is delayed, the risk is transferred at the point of availability of shipment, even if the delay of acceptance occurs after availability of shipment. The supplier may insure delivery against breakage, transport or fire damage at the request and at cost of the customer.

5.3 In the case of delivery with installation or erection, the risk in respect of the delivery transfers to the customer on the day of acceptance.

6. Prices

6.1 All prices are ex works, freight/postage, packing, insurance and the respective applicable VAT are added which may legally apply for commissioning, installation, adjustment and similar services, which are listed separately on the account.

6.2 In the case of precious metals, the official stock exchange day trading rate on the day of delivery will be invoiced.

7. Settlement of accounts

7.1 The agreed price is to be paid in full in EURO within 30 days of receipt of the account or equally valid request of payment, unless other arrangements have been agreed to. Risk and payment costs are born by the customer.

7.2 In the case of late payment, an additional 8 percentage points over and above the base rate of the European Central Bank is added to the account. The customer cannot vary this

clause.

7.3 The customer has the right to counter demands only in the case of indisputable or legally determined demands.

7.4 Costs incurred to ascertain credit, letters of credit in dealings with foreign countries or similar are at the expense of the customer.

8 Warranty for Material Defects

8.1 The customer must inspect goods for possible defects immediately after receipt. Obvious defects are to be reported to the supplier within 5 working days in writing, hidden defects within 5 days after detection.

8.2 The supplier has the discretion to repair or replace defects, which are reported to the supplier within 12 months after commissioning but not later than 15 months after delivery. This discretion is not waived even after repeated unsatisfactory repairs. The supplier must be given appropriate time and access to affect repairs.

8.3 The customer has the right to rescind the purchase order or demand a price reduction (decrease order/value), if the defect cannot be repaired in an appropriate period of time.

8.4 In the case of defects which could have been determined by the customer with little inconvenience before inclusion or use, all under warranty claims for defective materials are voided as soon as the product is included or used.

8.5 No warranty claims will be accepted for a predetermined life of products especially under extreme or unknown operating conditions. Claims for the premature failure of the product are excluded.

8.6 In the case of products, which were manufactured to customer drawings and specifications, supplier warranty for materials defects only extends to include compliance with the specification. Legal liability according to the product liability laws as well as liability for intentional and gross negligence is not affected.

8.7 The warranty for material defects does not cover normal wear-and-tear or damage caused by faulty or negligent maintenance or inappropriate use outside the specifications or contract.

8.8 Material defects which reduce the value or the usability only minimally or not at all, a liability is excluded.

8.9 Rights to referred warranty provisions according to §§ 478, 479 of Federal Common Law (BGB) only allow the consumer to make claims within the scope of the legislation and do not regulate the understanding of good will provisions with the supplier and assume that any party with referred warranty rights will duly observe their duty, in particular the duty to report defects.

9. Liability

9.1 All claims for damages and compensation of the customer are excluded, whatever the legal base, including claims as to illegal action or material defect or damage caused by the defect, or culpable neglect of associated contractual duties or the loss of income. This does not apply if the supplier, leading employee, consultant or contractor is guilty of culpable intent, gross negligence or injury to life, body or health or a liability for the breach of a major contractual duty or of a mandatory product liability exists.

9.2 In the case of a major breach of contractual liability, which does not involve intent or gross negligence and which does not involve an injury to life, body or health or the product integrity warranty, the liability shall be limited to compensation to the extent of assessable damage, which is typical in these contractual contexts.

9.3 Materials, which the customer is supplying to the supplier for the manufacture of products ordered by the customer, are only insured against theft. The supplier is liable for the loss or deterioration of such goods only in the case of intent or gross negligence.

9.4 Advice given to the customer by the supplier, particularly as to the usage of products, is binding only if given or confirmed in writing.

9.5 The legal requirements as to the need of proof are not affected.

10. Joint ownership

10.1 The finished product (from now on called the joint product) remains the property of the supplier until paid in full and all due demands, which the supplier derives from the business relationship with the customer, have been met. During this period of the joint ownership no seizure, nor transfer nor ceding of the demands from the customer without the express permission of the supplier may take place. The supplier is to be notified without delay in case of a seizure by a third party.

10.2 If the customer processes the joint product into a new product, the processed article remains the property of the supplier. The transfer of ownership is excluded under Federal Law (BGB) § 950. By processing, mixing or reconstructing the joint product with other products, not the property of the supplier, the supplier gains shared ownership of the resultant product in proportion of the monetary value of the joint product and other component products at the time of processing. It is the duty of the customer to store and control the resultant product with appropriate care.

10.3 Therefore, under these conditions, the resultant product is treated the same as the joint product. In the case of a sale of the resultant joint product, the customer reduces his claim on the product value by the amount proportioned according to the purchase value of the joint product of the supplier in respect to all other products contained in the resultant product. In

the case of the sale of the resultant product, together with other components not owned by the supplier for a total all-inclusive price the customer shall pay the supplier the proportion of the total price that represents the share of the supplier.

10.4 The customer also accedes to a claim of the supplier in respect to any third party, if the joint product is incorporated in real estate property.

10.5 The customer is empowered, unless the power is revoked, to satisfy claims resulting from the resale in the course of normal business transactions. Furthermore, the supplier has the right to independently seek an order, if the customer has not fulfilled his contractual duty, in particular to settle due accounts on time. The customer must name, if requested, the debtors of outstanding claims and show the amounts owing. Making a claim on the reserved ownership goods and in particular a demand to transfer same constitutes a contract cancellation.

10.6 The supplier undertakes upon request by the customer to free the customer from any obligation to accede to claims of the supplier exceeding 10% of the actual value of the goods.

11. Place of Jurisdiction

11.1 The laws of the Federal Republic of Germany are exclusively valid, excluding UN Commercial Laws (UNCITRAL- Commercial Laws). Contract language is German.

11.2 In the case of the customer being a purchasing agent, a legal representative of the public instrumentality or utility, also for all disputes involving documents, exchange and cheque transactions, the legal venue for both parties is the local court of the supplier. The supplier has the right to take legal action against the customer in any other legal court.

12. General Clause

Invalidation of any one of the clauses in this contract does not affect the validity of other paragraphs. Should a clause be or become ineffective, the contractual parties to this contract shall endeavour to replace the ineffective clause with a newly agreed clause, to reflect as fully as possible the commercial and legal purpose.

Putzbrunn/Dresden July 28th 2010