

General Terms and Conditions HiperScan GmbH, version from June 13th, 2006

1. Application

The Conditions of Sale shall prevail over any inconsistent terms or conditions referred to in the Buyer's order. Any conditions or stipulations to the contrary are herewith excluded and extinguished. Buyer's Conditions of Sale are only valid when they are expressly agreed or confirmed in writing. Proceeding an order is not a confirmation of such terms.

2. Order, Price and Delivery

- a. Orders by telephone shall only be binding after buyer's written confirmation. Silence upon our order acknowledgement means its acceptance. If we accept a cancellation of the order, the buyer has to pay a cancellation charge, when the cancellation or contradiction arrives later than a week after order acknowledgement date. The cancellation charge is 5% of the order value, minimum EUR 15. From us accepted variations of the order concerning the quality of the shipment or performance without an extra charge are only possible within one week after our order acknowledgement date. Cancellations, complaints etc. without giving our reference number shall not be accepted and shall not lead to an interruption of terms.
- b. Our prices are quoted in EURO. All prices are valid Ex Works Dresden.
- c. Shipment and possible return of the shipment are at buyer's risk and expense. This is also valid when we have to deviate from buyer's instructions concerning the way of delivery.
- d. Shipping charges are going to the debit of the buyer if not stipulated otherwise. This will also be true for returns. Our shipments are insured against transport damages. Within these limits we shall pay for damages. Return shipments of all kind are at risk of the buyer.
- e. In case of damage the recipient of the shipment has to give us notice of the claim confirmed by the shipping agent or carrier.
- f. Duty-free shipment (if agreed) is only possible when customs authorities allow duty-free import. If we are charged with duty this will be charged with an additional handling fee.

3. Payment Terms

- a. We deliver or perform against cash payment or cash on delivery. If special payment terms are stipulated, payment must be made 30 days after invoice date without any discounts.
- b. If the buyer shall default in payment of the price on the due date, we are entitled to interest which are 5% above the European Federal Bank rate.
- c. Buyer's delays in stipulated prepayments or other condition fulfilment entitle us to retreat from the contract or claim for damages because of non-fulfilment. Generally the claim of damages shall be 15% of the purchase price. This claim will be lower or higher if the buyer proves a lower or the seller proves a higher damage.

4. Terms of Delivery and other Terms

An obligation to obey delivery and other terms is only binding for us if they have been agreed upon in writing. The buyer is entitled to prove the agreed procedure of delivery and performance at his own cost. All cost, also the cost of verification are borne by the buyer. We are entitled to remain under agreed delivery dates. The buyer has a right of withdrawal from the contract in case of performance delay, if he gives us by registered mail a date of completion of at least 8 weeks to fulfil our obligations and if we let this date pass by without fulfilling our obligations. No more demands shall be existent. If the reason for a delay or nonfulfilment of orders is created by our suppliers, we cannot be made responsible.

5. Reservation of Title

The delivered goods remain our property until the fully payment of the purchase price and all additional charges and any further existing overdue amounts. If payment is done by cheque or bill of exchange the goods remain our property until our account is credited with the amounts. Goods, which belong to us under these conditions may be sold or treated in further

manufacturing but they may not be pledged or transferred for security. The authorisation for sale or manufacturing may be revoked, if the buyer does not or does not in due date fulfil his payment duties or if there is another important reason for that. With the acknowledgement of the order the buyer cedes to us all rights and side conditions with his contractors that result from a sale of the goods. All stipulations are effected for us. Moneys received from third parties who have received our goods have to be transferred to us immediately.

6. Liability for Defects

6.1. Material Defects

- a. Notices of material defects must be made within 8 days after the buyer has received the goods. If the notice of defect is justified it is our choice to either replace or repair the product. Consequential damages are excluded from our liability. We bear the cost for the repair or replacement. Our warranty liability will be void if the buyer has worked on the product.
- b. The buyer has the right to withdraw from the contract if the seller – taking into account the exceptions of the law – cannot repair or replace the product within an agreed period of time. If the defect is a minor one the buyer only has the right to lower the purchase price. The reduction of the purchase price is restricted to this case only.
- c. Generally accepted technical rules as well as safety rules are guaranteed according to the likewise existing foreign rules. Therefore we are allowed to deliver goods which are not VDE approved.

6.2 Legal Defects

If the use of product results in damaging protected rights or trademarks the seller will at his own cost achieve, that the buyer has the right to use the product further on. If this is not possible within a reasonable time period, the buyer has the right to withdraw from the contract. Under the said conditions also the seller has the right to withdraw from the agreement. Further will the seller set the buyer free from any justified claims of trade mark owners.

7. General Limitation of Warranty

We are only responsible for contractual and not contractual duties - especially on account of non-fulfilment, delay and responsibility while in the contractual process - in case of gross negligence and intention. This liability is restricted to the typical contractual damages while closing the contract.

These restrictions are not valid in case of culpable damages of essential contractual duties when the intention of the contract is endangered, in cases of enforced product liability law, in danger of life and health and also not in case that we have deliberately withheld shortcomings of the good.

If nothing else has been agreed on contractual demands which the buyer may have against us in case of reasons which lie within the delivery of the goods come under the statute of limitations after one year after delivery of the goods. This limitation is also valid for such products which have been built in in another product and has caused the malfunction of the end product. Excluded from this are intentional hurting of duties and gross negligence in fulfilling the contractual duties.

8. Repairs

Repairs will be invoiced at cost.

9. Domicile and Venue

Domicile and venue for both parties is Dresden, Germany. The contract will be governed by and construed according to the laws of Germany.