

**General Terms and Conditions for
all business relations including the purchase of products from WALO - TL GmbH as well as
repair and maintenance services
WALO - TL GmbH, Viktor-Frankl-Str. 12, D-86916 Kaufering - GERMANY**

A. General conditions

§ 1 General Provisions

1. The following terms and conditions apply to the entire present and future business relations between WALO-TL GmbH (hereafter referred to as WALO) and its customers, even if not referred to explicitly. Provided that WALO does not approve of any other written regulations these general terms and conditions apply to agreements between the parties, excluding any incompatible regulations, terms and warranties (regardless of explicitly agreed, altered rules of law or silently agreed upon) contained in customer enquiries or in other accompanied documents. Changes, deviations, deletions, modifications, additions or supplements to these terms of sale (regardless of contrary regulations taken from a customer's order or supporting documentations) are solely effective through a written approval by an authorised representative of WALO. Additional terms which have been added to replaced contract papers and documents are for administrative purposes only, i.e. label for type and quantity of goods to be delivered, naming of prices for assorted goods, determination of the delivery schedule as well as other similar ordering information.
2. "Customer" is defined in these terms and conditions as a natural person, a legal entity or a corporate partnership, who acts for the cause of commercial operations or independent activity when ordering a repair- or maintenance service.
3. Technical changes in the sense of technical advances remain reserved.

§ 2 Conclusion of contract

1. The presentation of goods and services in the selected advertisements do not constitute a binding offer. By placing an order with WALO the customer submits a binding offer. WALO is not obliged to accept the offer. WALO accepts an offer either in writing or via email.
2. Should WALO not accept an offer, the customer will be informed. WALO may propose an alternative offer to the customer. It is the customer's free choice to accept or decline the offer.
3. The conclusion of the contract is subject to the provision of the correct and punctual self delivery by WALO's suppliers. The reservation is solely in case the non-delivery is beyond WALO's responsibility, in particular if WALO and their supplier have entered into a congruent covering transaction and WALO is not liable for false deliveries or non-deliveries. Sec. 2 no. 4 sentence 2 shall apply accordingly.
4. The conclusion of the contract is valid on condition that the customer renders any necessary import and export licences and informs WALO of the process. Should it turn out that necessary licenses are invalid or that the trade or transaction (agreed delivery) is against the German law, the law of the customer's resident country or that of transit countries, after the contract was signed, WALO can withdraw from the contract without being liable for any damages occurred. Any payments made by the customer up to this point will be refunded immediately.
5. Should it turn out that ordered goods are unavailable, WALO reserves the right to withdraw from the contract. WALO will inform the customer immediately of the unavailability and offer a refund if necessary.

§ 3 Prices

1. The statutory value-added tax of the time of delivery is excluded in all offered prices. Should the VAT rate change between the time of the conclusion of the contract and billing, the additional charge or the refund for the altered VAT amount are subject to change, if not regulated otherwise by the legislator.
2. The prices mentioned in current advertisements relate to the prices at the time of the advertisement's publication. Changes in price after this time remain subject of change. After the conclusion of a contract, price changes are excluded.

§ 4 Delivery

1. The dispatch of ordered goods occur free carrier (FCA) from WALO's warehouse in Kaufering D-86916, Viktor-Frankl-Str. 12, according to Incoterms™ 2010. Partial deliveries remain subject to change.
2. Delivery dates are only binding when explicitly agreed on in writing. Delivery dates are determined according to agreements between WALO and its customers and are listed in writing in the acceptance of the customer's order (agreed delivery date). Should the delivery not occur by the agreed date, default shall only occur if the delivery has exceeded this date by four weeks, provided the necessary legal requirements have been met. WALO covers for the delay by refunding 0.5% of the good's value per week of delay, with a maximum refund of 10% of the good's value, provided the delay was not caused deliberately or out of serious negligence.

3. WALO's obligation to deliver remains dependent on the correct and punctual supply of goods, unless the incorrect or late supply of goods was caused by WALO. WALO will notify the customer immediately of the incorrect or late supply and refund accordingly.

§ 5 Warranty

1. The customer's warranty rights imply that the customer has fulfilled their duty of inspection and their duty to notify defects according to Sec. 377 of the German Commercial Code (HGB). Should the customer notice damages to the packing of the goods when received, the customer is obliged to demand a written confirmation of the damage from the transport company. Without this confirmation the customer carries the burden of proof for the transport damage. Following transport damages, the goods themselves have to be checked immediately (i.e. within the next working day) for faultlessness, functionality and completeness. Identified faults have to be reported to WALO immediately. The report has to be in written form and has to describe the fault precisely. Punctual dispatch suffices for observance of the deadline. The burden of proof rests upon the customer.
2. Claims of defects expire 12 months after the successful delivery from WALO to the customer. This period does not apply in case other longer periods are compulsory by law. Before a possible return of goods, the process has to be accepted by WALO.
3. Warranty for the sale of used items, is excluded.
4. Should there turn out to be a fault with the delivered goods, despite all care, which occurred before the passing of risk, WALO will, depending on their choice, either repair the fault or supply replacement goods, provided the fault was reported in due time.
5. Should the supplementary performance fail, the customer can withdraw from the contract or decrease the price, without prejudice to any claims of damages.
6. Claims arising for a defect shall not exist for minor irrelevant differences to the agreed condition, e.g. for insignificant impairment of functionality, for natural wear and tear, as for damages caused by insufficient or wrong treatment, excessive utilization, unsuitable operation, unsuitable construction, unsuitably foundations or unforeseen external influences after passing of risk, that are not a condition to the contract. Should the customer or a third party perform improper maintenance work or changes to the goods, the consequences caused can not be claimed as a defect.
7. Client's demands concerning transport costs, road costs, labour costs and material costs concerning supplementary performances are excluded, if expenses were increased because the delivered goods were brought to another location, other than the customer's branch, unless shipment is the goods intended use.
8. Claims of recourse against WALO shall apply only in so far as the customer has not made any agreements with his customers that go beyond the statutory defect entitlements. For the extent of the recourse claim of the purchaser against the supplier Nr. 6 shall apply accordingly.

§ 6 Liability

1. Subject to the following regulations WALO is not liable for slightly negligent duty violations caused by WALO, their legal representatives or agents, regardless of the legal ground. In case of slight violation of cardinal obligations of the contract concerned, WALO's liability is limited to cost for repair or substitution of the goods, which do not meet the contract's requirements, as far as WALO can be held accounted for. WALO is not liable for breaches of duty caused by slight negligence, such as delay or impossibility, nor are they liable for accidental violation of protection duties. For interpretation of the used terms, the German law is the only reference. Cardinal obligations are obligations laid upon WALO by a made offer, or obligations which are crucial for the process of the order and can and will be regularly relied on by the customer.
2. The following exclusions and limitations of liability do not apply for cases of liability without fault, according to the German law, especially for acts committed intentionally or out of serious negligence and have resulted in injury, health damages or loss of life.
3. The customer shall indemnify WALO against all damages, penalties, costs and expenses for which WALO may become liable as a result of the use of the basic material provided by the customer or of work done in accordance to specifications or patterns assigned by the customer, if these operations evoke or could evoke infringement of copyrights, patent infringements, breaches of confidentiality of commercial information or patterns, or equally regarded rights of a third party.

§ 7 Payment

1. WALO delivers, on condition to the regulations in the following sentence, on account. WALO reserves the right to carry out the order processing after instalments, or the entire amount has been paid in advance.
2. Payment to WALO is to be made within 14 days of invoice without deduction.
3. Should the customer appear to be in default with payments, WALO is entitled to charge a default interest of 8% higher than the current base rate set by the ECB. WALO reserves the right to prove and claim higher damages caused by delay.

4. WALO is entitled to depend their service on the receiving of advance payments or settlement of outstanding payments, without taking stipulated payment dates into consideration.
5. The customer can only exercise the right of retention as a result of counter claims based on the same contractual relationship. Compensation is excluded.

§ 8 Reservation of title

1. WALO reserves the rights of ownership of the delivered and installed parts, also within the framework of service contract, until all payments, stipulated by contract with the customer, have been paid. Therefore the ownership is transferred to the customer when the entire purchase price has been received.
2. In the case of extended reservation of ownership the customer receives the consent to resale, process or assemble the goods prior to payment.
3. Should the customer not pay when payment is due, WALO has the right to retake possession of the goods at the customer's expense, after an appropriate period of grace.
4. The customer is obliged to inform WALO of any change in business location as long accounts receivable remain.

B. Special regulations of repair and maintenance services

§ 9 Placement of orders, order processing

1. The customer is to hand over the items, which are to undergo a repair or maintenance service by WALO, along with a filled in order sheet or repair sheet.
2. The customer hands over items, which are to undergo a repair or maintenance service by WALO, at their own expense and risk. The items have to be packed appropriately for transport.
3. A cost estimate precedes every repair service. In case an order does not take place, the customer will be charged for the cost estimate.
4. Is the order taken back before order processing, WALO will charge a fix rate of 75% of the net charges. Should the customer prove the expenses to be lower or should WALO prove the expenses to be higher, the difference is to be reimbursed.
5. After completion of the order processing the items will be sent back, carriage paid (CPT according to Incoterms™ 2010) with place of delivery being WALO's headquarters in D-86916 Kaufering, Viktor-Frankl-Str. 12 and the destination stated in the order confirmation.
6. The risk of loss or damage to the sent items is transferred to the customer, when passed to the person dealing with the return of the item (freight carrier).
7. The place of performance is WALO's place of business.

§ 10 Prices for maintenance and repair

Prices include the legally applicable VAT rate for provided services. Should the VAT rate change between the time of the conclusion of the contract and billing, the additional charge or the refund for the altered VAT amount are subject to change, if not regulated otherwise by the legislator.

§ 11 Warranty for maintenance and repair

1. Should the customer notice damages to the packing of the goods when received, the customer is obliged to demand a written confirmation of the damage from the transport company. Without this confirmation the customer carries the burden of proof for the transport damage. Following transport damages, the goods themselves have to be checked immediately (i.e. within the next working day) for faultlessness, functionality and completeness. Identified faults have to be reported to WALO immediately. The report has to be in written form and has to describe the fault precisely. Should the customer fail to check for damages or fail to report the damage in due time, the repair and/or maintenance service is considered accepted, unless the damage was not detectable. Punctual dispatch suffices for observance of the deadline. The burden of proof rests upon the customer.
2. For repair and maintenance services WALO provides a warranty by mending or replacing the items concerned at WALO's decision. The replacement can also consist of the delivery of an item with equal life expectancy (replacement device).
3. Should the amendment or replacement fail, the customer has the choice to either demand a decrease in price or the rescission of the contract.

4. Late detected damages are also to be reported to WALO; otherwise the repair or warranty service with regard to this damage is considered accepted. Damage claims have to be in written form and have to describe the fault precisely.
5. Warranty and compensation claims expire one year after the repair or maintenance service was accepted.
6. Should reasons such as unforeseen circumstances, strikes, legal requirements, disturbance of a third party's area of responsibility, or similar reasons prevent the order processing, the process will be caught up on if possible. Should the resumption occur within appropriate and reasonable time after elimination of the disturbance, WALO's claim for remuneration remains valid. In case of a major delay the customer will be informed. If it is not possible to resume the process within an appropriate time, both contracting parties have the right to withdraw. The withdrawal is to be performed by written declaration. Any remuneration up to this time will be refunded, in this particular case.

C. Final provisions

§ 13 Final provisions

1. WALO's place of business is the exclusive place of jurisdiction, for all current and future claims resulting from business relations with customers, including claims of checks and bills. German law applies to the exclusion of the UN convention on contracts for the international sale of goods.
2. Should parts of the contract between the customer and WALO, including these terms and conditions, be or turn out to be partially or completely invalid, or should turn out to be incomplete, the validity of all other regulations will not be effected.

Updated May 2011