

1. General

Only these General Terms and Conditions of Sale and Delivery (hereinafter: General Terms) shall apply to all offers and deliveries by Contelec. Any general terms and conditions of the customer in conflict with these General Terms are ineffective. The present General Terms shall also apply to future orders.

2. Offer

Offers shall not be binding. All and any information figuring in offers, brochures and price lists has been carefully established by Contelec, but is nevertheless non-binding unless expressly confirmed in writing by Contelec.

3. Confirmation of Orders

All orders, agreements, assurances etc. incl. those issued by our representatives require a written confirmation by Contelec to be binding. Written complaints regarding such confirmation letters have to be received by Contelec within one week.

4. Date of Delivery / Term of Delivery

Contelec only accepts the dates of delivery / terms for delivery indicated in the written confirmation by Contelec. However, Contelec is entitled to deliver after these dates of delivery and after the expiration of these terms for delivery and shall not be held liable for damages resulting from the delay.

5. Divergences in quantity

The customer shall accept deliveries even if they diverge up to 10% from the ordered quantity. In case of excess delivery, the customer shall pay the corresponding additional price.

6. Prices

Prices are subject to change. They are based on the costs of wages and material as well as on the general expenses at the time of acceptance of the order. Should these costs go up until the delivery date, Contelec is entitled to raise the price accordingly, unless the delivery is carried out within four months after the acceptance of the order.

7. Shipping

Shipping takes place ex works from the factory in Biel / Switzerland. The risk transfers to the customer the moment the goods are at his disposal. Contelec is entitled to select the means and route of transport. If the customer issues special instructions regarding transport, he shall also assume any and all additional costs that result thereof. Contelec reserves the right to charge an adequate lump-sum payment for shipping and handling. Packaging of special orders that are custom-made because of their measurements are charged at cost and may not be returned to Contelec.

8. Packaging

The prices do not include reshipment and taking back of packaging material. To ensure optimal recycling, the return of packaging material shall be coordinated with Contelec and confirmed by Contelec in writing.

9. Return, Cancellation, Modification

Return of correctly delivered goods is subject to Contelec's prior written approval. If the goods are duly returned, Contelec charges an adequate amount for administrative fees, verification and new packaging; damaged goods do not entitle the customer to a credit note. In case of cancellation, the customer has to pay the agreed price minus Contelec's saved expenses. In case of modification of special orders, the customer shall pay all resulting costs.

10. Complaints, Warranty

Complaints concerning delivered goods shall be notified and specified in writing. In case of apparent defect, such notification shall be made immediately after delivery and in case of hidden defect, immediately after its detection. Complaints can only be taken into account if the complete product, with its serial and batch numbers, is sent to Contelec; furthermore, proof of payment shall be provided or the delivery receipt number shall be indicated. In the event that the complaint is justified,

Contelec may at its own discretion remedy the defects at the factory in Biel / Switzerland or replace the goods. The customer shall only be entitled to withdraw from the contract if Contelec does not, within a reasonable time, remedy the defects for which the responsibility of Contelec has been proven. Replacements or repairs at Contelec's cost shall only be performed with Contelec's prior written approval.

11. Liability

Contelec shall not be held liable for any damages that are directly or indirectly caused by defaults of goods delivered by Contelec. Furthermore, Contelec shall not be held liable for damages which result from incorrect or negligent treatment by the customer, wrong installation or chemical, electrochemical or electric influences. Contelec shall not be liable for damages if the customer or third parties changed or repaired the goods without Contelec's prior written approval.

12. Payment Terms

Payments to Contelec shall be made without any deduction within 30 days from the invoice date. Should a discount be agreed as an exception, it is only granted on the net value of the goods, exclusive of additional costs. The customer shall under no circumstances be allowed to withhold payments or to compensate with possible counterclaims. In case of delayed payments, the customer has to pay a default interest of an amount such as customary in banking since the payment date without prior reminder; Contelec's further claims remain unaffected.

Contelec has the right to claim advance payment or security if the customer does not comply with the payment terms or if Contelec comes to know of circumstances that according to Contelec's sole judgment impair the good standing of the customer. In case of default of payment Contelec shall be entitled to withdraw from the contract and from current individual orders and from other single contracts, after fixing an adequate extension.

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13. Right of Withdrawal

In the event of delay in payment or in performance of the requested security, Contelec shall be entitled to withdraw from the contract as well as from current individual release orders, orders and from any other individual contracts.

If the customer files for insolvency or if insolvency proceedings are filed against him, any and all of Contelec's obligation to deliver shall terminate automatically and immediately.

14. Reservation of Title / Assignment

All deliveries are subject to reservation of title. Property is only acquired by the customer after the latter's payment of all his obligations resulting from the business relationship with Contelec. The customer herewith expressly authorises Contelec to request the inscription of the reservation of title in the corresponding register. The customer shall not pledge the goods or transfer the goods for the purpose of securing a debt. The customer is only entitled to resale the goods by way of ordinary business channels. The customer shall immediately inform Contelec of any claims by third parties infringing Contelec's rights.

The customer herewith assigns its claims resulting from the further sale of the goods previously delivered to him by Contelec to Contelec. The customer is authorised to collect these assigned claims for Contelec's account. This authorisation may be revoked at any time by Contelec if the customer does not comply with his payment obligations according to the contract with Contelec. On demand, the customer is obliged to name its own customers. Contelec may inform the customer's own customers of the assignment. The costs of a possible intervention shall be borne by the

customer. If the customer receives payments for resales, these payments are deemed to be made for the account of Contelec; the customer has to keep these payments separate, and in each case he shall transfer these payments to Contelec within one week at the latest.

15. Miscellaneous

Modifications or amendments to the General Terms shall be binding only in written form. If any provisions hereof are or become invalid, the remaining provisions hereof shall not become invalid. Such invalid provisions shall be deemed to be replaced with provisions that come as close as possible to the commercial intentions of the invalid provisions.

16. Place of Performance, applicable Law and Venue

Exclusive place of performance for all the parties' obligations shall be Contelec's factory in Biel / Switzerland.

All legal relationships between the parties shall be subject to the substantive laws of Switzerland. The collision rules of the Swiss Federal Act on International Private Law and the United Nations Convention on Contracts for the International Sale of Goods of 11 April, 1980 shall not apply.

Exclusive **place of jurisdiction** for all proceedings between the parties shall be **Nidau (Switzerland)**. Notwithstanding this, Contelec shall have the right to bring its claims to any other competent court.

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Contelec products are not designed, intended, authorized or warranted to be suitable for use in lifesupport applications,

devices or systems or other critical applications.

Inclusion of Contelec products in such applications is understood to be undertaken solely at the customer's own risk.

Should a customer purchase or use Contelec products for any such unauthorized application, the customer shall indemnify and hold Contelec and its officers, employees, subsidiaries, affiliates, and distributors harmless against all claims, costs damages and attorney fees which could arise.

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