I. Quotation

1. Our Terms of Sale apply exclusively. Terms of the Buyer contrary to or deviating from our Terms of Sale are not recognized except if their validity was explicitly accepted by us. Our Terms of Sale apply in all cases even if the Buyer is aware of the knowledge of contrary terms on our part or terms deviating from our Terms of Sale in question but also for future transactions.

2. With the issue of the order or the acceptance of shipments, the Buyer acknowledges the validity of our General Terms Governing the Sale and Delivery of Machinery not only for the transaction in question but also for future transactions.

3. The Buyer agrees with the quotation such as illustrations, drawings, indications of weight and dimensions are merely approximate indications unless expressly described as binding.

4. The Supplier reserves all rights of title and copyright to all cost estimates, drawings and other documents; they may not be made accessible to third parties. The Supplier may only make such placement of delivery as the Buyer describes as confidential accessible to third parties with the latter's consent.

5. We treat all company-related and person-related data that we get in connection with the order confidentially. But in terms of a general reference, it is allowed to mention the name of the Buyer and to give a general description of the project.

II. Scope of the Delivery

The written confirmation of order from the Supplier determines the scope of the delivery and - in the event of a quotation from the Supplier with a limited period of validity and timely acceptance of the quotation - the quotation, insofar as no timely confirmation of order is received. Collateral agreements and modifications must be confirmed in writing by the Supplier.

III. Price and Payment

1. In the absence of a special agreement, prices apply ex works including loading in the works, however, exclusive of packaging. Value added tax at the statutory applicable rate is added to all prices.

2. In the absence of a separate agreement, payment shall be made as follows in cash and without deduction, free at the supplier's domicile:
   1/3 on account on order confirmation
   1/3 on shipping notice to the Buyer advising that main components are ready for shipment.
   1/3 as a remaining amount within one month following the transfer of risk. In the event of delayed payment, penalty interest amounting to 8% above the base interest rate of the European Central Bank (ECB) is invoiced.

3. The Buyer may only exercise rights of set-off or retention insofar as is legally determined or undisputed. In case of defects in delivered goods, the Buyer's rights remain unaffected, in particular their right to retain a corresponding part of the purchase price.

4. The Buyer may exercise a right of retention only when his counterclaims are founded on the same contract.

IV. Delivery Period

1. The delivery period upon the dispatch of the confirmation of order, however, not before the documents, approvals, releases to be provided by the Buyer or the agreed down payment have been received.

2. The delivery period has been fulfilled if with the subject-matter of delivery has left the works or its readiness for dispatch has been notified by the date the delivery period elapses. If it has not been extended appropriately in the event of labor disputes, in particular strikes and lock-outs, in the event of force majeure or hindrances beyond the control of the Supplier, provided that such circumstances can be proven to have a considerable influence on the production or delivery of the goods to be delivered. The conclusion of the contract is subject to the Buyer’s written acceptance of the goods by our suppliers! In the event of the non-availability of the services, the Buyer shall be informed without delay and any services already received will be refunded immediately. In particular, non-availability in this respect includes delayed delivery by our suppliers if we have carried out a so-called covering transaction, when neither us nor our suppliers are at fault or, in individual cases, if we have no obligation of procurement. The aforementioned circumstances are also not attributable to the Supplier if they occur during an already existing delay.

3. If dispatch is delayed at the request of the Buyer, he can be charged the costs incurred for storage in the works of the Supplier, starting one month from the date of notification of readiness for dispatch, however, at least 1/3 of the invoice amount for each month. Nevertheless the Supplier is entitled, after setting a reasonable deadline and after its fruitless expiry, to dispose of the subject-matter of delivery and to demand the immediate return of the goods irrespective of his other rights.

VI. Reservation of Title

1. The Supplier reserves ownership of the goods up to the complete settlement of all claims arising out of current transactions. If additional assembly services are to be provided, the ownership of the goods passes to the Buyer only on receipt of the assembly fee or of part of the payment corresponding to the assembly service.

2. The Seller has the right to inscribe the subject-matter of delivery against theft, breakage, transport, fire and water damage, as well as against other insurable risks.

3. If dispatch is delayed as a result of circumstances attributable to the customer, the risk shall be transferred to the customer as from the day on which the goods are ready for dispatch, but the supplier shall be obliged - at the customer's expense and risk - to provide the insurance cover requested by the customer.

4. Without prejudice to the rights contained in Article VII, articles delivered must be accepted by the Buyer even if they exhibit slight defects.

An application for the institution of insolvency proceedings over the assets of the Buyer entitles the Supplier to withdraw from the agreement and demand the immediate return of the goods irrespective of the other rights of the Supplier.

VII. Warranty

1. Defects in delivered goods shall be compensated by the Supplier at his discretion initially either by repair or replacement.

2. Any defects must be reported by the Buyer promptly and in writing.

3. Excluded from the warranty are all parts subject to wear such as seals, crank covers, clutch assemblies, drive belts, filters, paint coat, coatings and in specific cases flywheels (e.g. carriage of goods to be delivered).

4. Adherence to the delivery period presupposes fulfilment of the contractual duties by the Buyer.

5. The Supplier has the right to repair all defects or to substitute deliveries which the Supplier considers necessary at its discretion; otherwise the warranty obligation of the Supplier lapses.

6. The assertion of the reservation of title or attachment of the subject matter against theft, breakage, transport, fire and water damage, as well as against other insurable risks.

7. In the event of the non-availability of the services, the Buyer shall be informed without delay and any services already received will be refunded immediately. In particular, non-availability in this respect includes delayed delivery by our suppliers if we have carried out a so-called covering transaction, when neither us nor our suppliers are at fault or, in individual cases, if we have no obligation of procurement. The aforementioned circumstances are also not attributable to the Supplier if they occur during an already existing delay.

8. Without prejudice to the rights contained in Article VII, articles delivered must be accepted by the Buyer even if they exhibit slight defects.

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4. A warranty claim by the Buyer furthers more that all instructions of the Supplier on the use, maintenance and storage of supplied goods have been followed, in particular the conservation instructions and the General Terms for the Operation of products from PillAerator GmbH (e.g. on storage, drive etc).

5. Shipping damage or damage attributable to the Buyer, in particular due to improper or unauthorized use (non-observation of the General Terms for the Operation of Pillar Fans and Conservation, defective assembly or start-up by the Buyer or a third party, natural wear, use of inadequate operating media, conveyance of an unspecified media or gaseous compounds, substrate materials, unsuitable terrain, chemical, electrochemical or electrical influences, modifications or repairs of the product by the Buyer or a third party are excluded from the warranty.

6. This right to give the Supplier the necessary time and opportunity to make the repairs and substitute deliveries which the Supplier considers necessary at its discretion; otherwise the warranty obligation of the Supplier lapses. However, in the case of an imminent risk to operating safety or to avert a considerable damage or if the Supplier is in arrears with the elimination of a defect, the Buyer is entitled to repair the defect directly or have it repaired by the third party and claim reimbursement of the resulting costs from the Supplier. In this case, too, the goods must be good and marketable before any intended replacement.

7. If defects are identified on the goods, we are entitled at our discretion to repair the item or supply a new, defect-free product. In the event of repair, we are obliged to assume all costs necessary for said repair, in particular transport, travel, labor and material costs, providing that these do not increase due to the fact that the goods have been transported to a different location to the place of delivery.

8. The place of delivery is the location to which the goods were delivered in accordance with the contract signed by the Supplier and the Buyer. The warranty claims of the Buyer are subject to the sales tax laws of the state or the national state's statutory party's statutory inspection and complaint notification obligations (Section 377, HGB).

9. If defects are identified during the inspection or later, we must receive immediate written notification thereof. Said written notification must be received within two weeks. The timely dispatch of said written notification is the deadline consequence. Irrespective of this instruction and notification obligation, the Buyer must provide written notification of any identified defects (including erroneous and short deliveries) within two weeks of delivery. Timely dispatch of this is also sufficient to confirm deadline compliance.

10. If the Buyer fails to carry out the proper inspection and/or defect notification, Supplier is exempted from liability for the related defects. The Buyer shall give the Supplier the necessary time and opportunity for the required supplementary performance, especially the request of goods for inspection purposes. In the event of a replacement delivery, the Buyer shall return the defective goods to the Supplier in accordance with the valid legal stipulations.
Supplementary performance does not include the disassembly of the defective part or re-installation if the Supplier was not responsible for initial installation. If the Buyer's defect removal request is declared unjustified, the Supplier may demand any related expenses from the Buyer. The Supplier is entitled to make any supplementary performance dependent on the prior payment of the pending purchase price by the Buyer. The Buyer is entitled to retain part of the purchase part as deemed appropriate in relation to the defect.

8. The warranty period for the goods including for any possibly installed required spare parts shall be extended by the duration of the repair works.

9. Referring the given performance data the tolerances in accordance to DIN 24166, class 2 or ISO 13348, grade AN3 have to be considered.

The validation of the performance data takes place in accordance to DIN EN ISO 5801, on company-owned standardized airways only.

VIII. Liability

1. In the event of premeditated or grossly negligent breaches of contract as in the case of culpable injury to life, limb or health, we shall be liable for any resulting damage without limit except if provided for otherwise by law.

2. In the event of gross negligence by our non-executive employees, our liability for property or asset damage is limited to the foreseeable contract-typical damage.

3. In the event of minor negligence, we shall be liable for property and asset damage only if essential contractual obligations have been breached. In such a case, our liability shall likewise be limited to the foreseeable contract-typical damage. Essential contractual obligations are those without whose performance the duly implementation of the contract is impossible and in which our party to the contract generally trusts and may trust.

4. Any further liability not regulated in the preceding subsections shall be excluded irrespective of the legal basis of the claims asserted. This applies in particular to unauthorized acts pursuant to Secs. 823, 831 BGB; a possible unlimited liability under the provisions of the German Product Liability Act remains unaffected.

IX. Statute of Limitations

1. All claims of the Buyer, irrespective of their legal reason, in particular warranty claims, lapse after one year.

2. This does not apply when the Supplier is culpable of premeditated or gross violations including on part of his legal representatives or vicarious agents, when involving injures to life, body or health, or defects which the Supplier has maliciously concealed or the absence of which he has guaranteed as well as with vices when the Supplier liable for personal injury or property damage under the Product Liability Act. In these cases, the statutory periods shall apply.

3. The statutory period also applies to defects in a building or to products used in a building in accordance with their customary use thereby causing the defect in the building as well as in works that involve the supply of planning or supervisory services for a building.

X. Partial Delivery, Reduction, Withdrawal from Contract

1. The Supplier is entitled to make partial deliveries except when the acceptance of partial deliveries is not considered fair or equitable for the Buyer taking his own legitimate interests into due account.

2. If remedial performance fails in a warranty claim, the Buyer may in principle and at his discretion demand a lower price (reduction) or the cancellation of the contract (rescission). The customer shall have no recourse to damage claims, and there shall also be no liability for lost profit or damages arising from loss of production. When the contract violation is only minor, in particular in the case of minor vices, the Buyer has no right of rescission.

3. We reserve the right to withdraw from the contract if:
   - we ourselves do not receive goods completely, correctly or in accordance with delivery deadlines. We pledge to notify the Buyer immediately of any such delivery problems and in the event of contract withdrawal, to immediately refund any payment already received.
   - if Buyer debt enforcement is unsuccessfully attempted by us or any other creditor, an application procedure for opening insolvency proceedings against the assets of the Buyer is pending, said Party has made a sworn statement of their assets or a list of assets or has opened insolvency proceedings against their assets or such opening has been rejected due to lack of assets.
   - the Buyer has made false statements concerning their creditworthiness upon signing the contract or conceals a significant deterioration of assets within the current business relationship.
   - the Buyer stops making payments or a bill or check from the Buyer is protested.
   - the Buyer fails to comply with a deferred payment granted or.
   - if, other than in the ordinary course of business, the Buyer sells any goods subject to our retention of title, particularly if used as collateral or a pawn, but also if the goods are transferred to other resellers regardless of whether or not payment is received.

4. If we withdraw from the contract in writing or in a letter (email withdrawal notification is sufficient), we are entitled to reclaim all goods delivered. The Buyer is obliged to return the goods to us or to a hauler named by us. We are entitled to re-sell any reclaimed goods immediately. The sale proceeds, but at least the value of the goods, will be offset against the claim we have against the Buyer, less appropriate costs for the action. Any surplus that may arise in regard to already received services (advance payment, etc.) will be paid to the Buyer.

XI. Place of Fulfilment and Court of Jurisdiction

1. This Contract is governed exclusively by the laws of the Federal Republic of Germany. The application of the UN Convention on the International Sales of Goods shall be excluded.

2. Place of fulfilment for all claims and duties (see Article VII of our General Terms and Conditions for the Delivery of Machines) is Moringen/Germany.

The exclusive court of jurisdiction is Northrhein or the district court of Göttingen, even for actions concerning the bill and check process and for actions against third parties who are liable for the obligations of the Buyer unless another court of jurisdiction is mandatory.

3. If any of the preceding provisions should be or become ineffective, the validity of the remaining provisions shall remain unaffected. The parties agree that an ineffective provision shall be replaced by a clause that approximates the spirit and purpose of the ineffective provision as much as possible.

Moringen, 17.12.2013

PillAerator GmbH

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