

GENERAL CONDITIONS OF SALES

of the company AGS-systems GmbH. (limited liability company), with registered address in Italy, 39025 Naturno (BZ), Stava 47B (VAT nr. IT02509250219), with its legal representative, *pro tempore*,

hereinafter: “**AGS-systems**”

1. Scope of application

1.1 This general condition of sales applies to AGS-systems customer, with registered address outside of Italy. For customers located in Italy, the Italian version of the general conditions of sales shall apply. The terms “registered address outside of Italy” refers to the address of the entity, who orders goods and/or services from AGS-systems.

1.2 All present and future offers of the AGS-systems, acceptance and execution of orders as well as provision of services are governed by the following General Conditions of Sales (“**GCS**”) of AGS-systems. The GCS shall bind the Buyer starting from the moment of acceptance of a sales offer by the Buyer.

1.3 General conditions from the Buyer, which are not explicitly accepted in writing by AGS-systems are declined; they are not legally binding for AGS-systems.

2. Formation of the sales and service contract

2.1 If not otherwise agreed upon in writing, offers of AGS-systems have a validity of not more than thirty (30) days. The acceptance by the Buyer of an offer (“**Acceptance**”) or a direct order constitutes an irrevocable commitment on behalf of the Buyer.

3. Delivery, deviation in the amount of order, terms of delivery, product examination

3.1 Unless otherwise agreed in written, conditions of delivery are EXW according to INCOTERMS 2010.

3.2 AGS-systems’ terms of delivery and/or completion dates are non-binding. Exception to this rule is only made, if the Acceptance of Order contains exceptionally the terms „binding terms of delivery“. Also, in case of binding terms of delivery, AGS-systems does not assume liability for delays if such delays are due to force majeure (e.g. fallout of a production line) or are due to the wrongdoing of the Buyer or third parties involved in the transaction.

3.3 AGS-systems shall be permitted to carry out more than one partial delivery, in which case the liability for delays of not yet delivered goods is excluded. If the delivery is carried out on euro pallets, they are invoiced to the Buyer at market prices, if at the time of delivery, Buyer does not make available one of its own euro pallets in substitution. The proof of the exchange is given by an annotation in the CMR, or, if not existing, in the consignment note.

3.4 They Buyer is obliged to inspect the goods at the moment of unloading for any evident damages caused by transport or packing. Such easily identified damages of packaging and goods can only be invoked if they are annotated in the CMR or, if not existing, in the consignment note at the moment of the handover of the goods.

The Buyer is obliged to examine the goods at the moment of storage. The Buyer shall send to AGS-systems within not more than eight (8) days from delivery, regardless of the INCOMTERMS agreed upon, in the form of an email, or registered mail, a written notice of evident, even if not visible from the packaging, non-conformity in respect of the goods delivered. Such notice of non-conformity must contain the transportation documents, a photographic documentation and a detailed description of the non-conformity. Also, in case of hidden non-conformity, the Buyer shall notify AGS-systems of such non-conformity not later than eight (8) days after the Buyer discovered or ought to have discovered it. In no case AGS-systems is to hold liable for non-conformity discovered more than twelve (12) months after transport followed by delivery. A notice of non-conformity delivered beyond such term shall waive any right of the Buyer to hold liable AGS-systems for such non-conformity.

4. Prices and terms of payment

4.1 All prices are to be considered EXW (INCOTERMS 2010), unless otherwise agreed in written. If not expressly stated to the contrary, prices by AGS-systems are exclusive of VAT.

4.2 If the offer does not set anything to the contrary, total sales and service price shall be effected within thirty (30) days after delivery (according to the date on the consignment note) or completed service, from issuance of a valid invoice. The payment is due regardless of the Buyer not collecting the goods on the accorded day. Claims or objections, whatever in nature, do not entitle the Buyer to suspend or delay payments. The Buyer shall not be entitled to raise objections or file suit against AGS-systems, if not all payments have been effected regularly, including those payments in respect of which such claims or objections are raised.

4.3 In case the Buyer should not effect the payment in accordance to the fixed terms, the affected sales transaction shall be rescinded as stated in a previously written letter of notification due to the non-compliance of the Buyer.

4.4 In case of delayed payment an interest rate shall apply at the rate of the current EURIBOR 6 month + 7%, plus all costs connected to the recovery of the unpaid sums.

5. Warranty

5.1 Buyer is hereby informed that in certain cases single products of AGS-systems are to be considered buyer-specific, which can be sold on the free market only in exceptional cases.

5.2 The product data sheet, the assembly instruction, the detail drawing and the sectional drawings regarding a product are of primary value and essential with regards to warranty and can be downloaded on the website in respect of each individual product (model number) (www.AGS-systems.info).

5.3 Without prejudice to article 5.4 below, AGS-systems is generally liable according to the law. If AGS-systems receives a valid non-conformity claim from the Buyer according to art. 3.5, AGS-systems shall be entitled to decide in its sole discretion, when there is no doubt about the defect of the goods, whether to substitute or to reduce the price of the defective products. In addition, AGS-systems shall have the unchallengeable right to demand an on-site examination, or to demand return of the products back to its premises. At the same time, the products can be returned to the premises of AGS-systems only in case AGS-systems gives express authorization in that respect. In case AGS-systems opts for the replacement of the product AGS-systems shall be liable to pay only the costs for transportation to the Buyers premise.

5.4 Except for intent or gross negligence, the liability of AGS-systems is limited to the material warranty, consisting in the substitution of defective products, reduction of the price or a partial restitution. Any other claims, such as damages, direct and indirect losses, whatsoever in nature, are excluded.

5.5 In case of a defective product the Buyer is informed, that the production and delivery EXW to the freight carrier of the substitute goods may last up to fourteen (14) days.

6. Reservation of property

6.1 The goods delivered by AGS-systems are under reservation of property until the payment of all debts resulting from the business relation.

6.2 In case the Buyer acts in breach of the agreement, specifically regarding the payment delay, AGS-systems has the right to take the goods back. This does not equal to a withdrawal from the contract unless explicitly declared in written. The attachment of the goods initiated by AGS-systems always implies a withdrawal from the contract. Costs arising from taking back the goods, such as transport and custom clearance, shall be borne by the Buyer. AGS-systems is authorized to exploit the products taken back, the proceeds are compensated with the debt of the Buyer, after deducting the appropriate costs for the exploitation.

6.3The Buyer is obliged to treat the goods with due diligence. In particular, the Buyer is obliged to insure the goods adequately at his own cost at the original value against damage by fire, water and theft.

6.4The Buyer informs AGS-systems immediately in written about all accesses of third parties, especially forced execution measures, as well as other prejudices to the property. The Buyer is obliged to cover all costs and compensate for the damage resulting from the violation of the present obligation and any necessary measures of intervention against access of third parties.

6.5The Buyer is entitled to sell the goods object to the contract with AGS-systems in an orderly manner, but he proceeds with the assignment of receivables for the amount of the final invoice (VAT included) of the claims arising from selling the goods to third parties or buyers, not taking into account if the goods have been processed or not before being sold. The Buyer is entitled to collect the claims after the assignment. The authorization of AGS-systems to collect the claims remains unaffected thereby. AGS-systems is obliged not to collect the claims as long as the Buyer effects the payment, does not fall behind with the payments and, especially, does not apply for insolvency or bankruptcy proceedings. Otherwise AGS-systems can pretend the communication of all receivables and the identity of the debtor, as well as any other necessary information for the collection of the claims, the handing out of corresponding documents and the notification of the assignment of receivables to the debtor or third parties.

6.6AGS-systems is obliged upon request of the Buyer to release the securities that he has retained if the total value thereof exceeds the claims that are being protected by more than 20%. The choice of the specific security to release is made by AGS-systems.

7. Applicable law – exclusive jurisdiction

7.1These GCS and all aspects relating to the contractual relation between AGS-systems and the Buyer is governed by German law.

7.2The parties herewith agree that the court of Munich (Germany) shall have exclusive jurisdiction for eventual court proceedings relating to the contractual relationship between AGS-systems and the Buyer.

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