

General Terms and Conditions of Sale

of the Companies

RUETZ TECHNOLOGIES GMBH

RUETZ TRAFFIC SYSTEMS GMBH & Co. KG

RUETZ SCENT SYSTEMS GMBH

Walter-Gropius-Str. 17, 80807 Munich

Valid as of 07.04.2009

I. Standard Conditions

1. The following terms and conditions of sale and delivery shall apply to all deliveries and other services.
2. Differing conditions proposed by the buyer, that have not been explicitly approved of by the seller, shall not be binding, even if the seller does not explicitly object to them.

II. Contractual Offers, Scope of Goods and Services and Formation of Contract

1. Contractual offers made by the seller are subject to confirmation.
2. Only the written confirmation of order from the seller shall be definitive regarding the stipulated nature and extent of goods and services. Alterations of or additions to the contract require the written form.
3. The seller reserves the right to make alterations regarding construction, material, specifications or models even after dispatching a confirmation of order, provided that these alterations do not conflict with the confirmation of order or the seller's specifications.
4. Partial deliveries shall be acceptable.
5. Documentation such as images, drawings and measurements, that form the basis of the proposal or confirmation of order, shall be regarded as approximate only, unless they are explicitly described as authentic.

III. Prices and Conditions of Payment

1. Prices are quoted as net only and are due with the obligatory sales tax. All prices are ex factory and do not include packing or other costs of shipping and transport unless otherwise stated.
2. If more than four month elapse between formation of contract and delivery, and the delay is not caused by the seller, the seller is entitled to adequately raise the price in consideration of material, labour and other costs.
3. If the seller allows for change requests from the buyer, any additional costs resulting from such changes shall be billed to the buyer.
4. Purchase prices are due for payment within 14 days after the date shown on the invoice. If the buyer fails to observe this term, interest is charged on the sum owed amounting to 8 % above the currently effective base interest rate. This does not affect the sellers right to additional claims.
5. Payments are generally credited against the oldest invoice due.

IV. Set-Off and Withholding

Set-off and withholding of payments are excluded, unless the set-off claim is indisputable or has been legally established.

V. Terms of Delivery

1. Statements regarding the date for delivery are made according to the seller's best judgement. The delivery date may be postponed accordingly, if the buyer fails to cooperate as required or agreed, or if the buyer delays cooperation. The same applies to labour disputes, especially strikes or lock-outs, as well as other unforeseeable events that are beyond the seller's control, e. g. delivery delays caused by the seller's suppliers, disruptions of operations and transport, shortages of materials or energy etc.
2. In such cases the seller is entitled to withdraw partially or entirely from the contract or to postpone delivery without any compensation claims against the seller arising from this.
3. If the delivery delay is due to fault of the seller, he shall be entitled to an adequate period of grace.
4. Change requests for ordered goods from the side of the buyer also result in an adequate postponement of the delivery date.

VI. Transfer of Perils

The regulations of INCOTERMS: EXW apply for delivery and transfer of perils.

VII. Retention of Title

1. The seller retains the title of any goods delivered by the seller until all amounts due from the buyer in respect of such goods are paid in full. Retention of title applies until all claims, also future and conditional claims arising from the business relationship between buyer and seller, have been settled.
2. The seller is not entitled to a transfer by way of security or to pledging of goods. However, the seller is entitled to a conditional sale of the goods in a regulated course of business, with the exception of the software that is part of the goods. See § 8 for details. Hereby the buyer already assigns all resulting claims against his business partners to the seller.
3. If the goods are altered or processed by the buyer, the seller retains title of the entire new item. The buyer acquires partial ownership based on the relation between the value of the buyer's product and the value of the product delivered by the seller..
4. If the value of all of the seller's securities effectively exceeds the existing claims by more than 10 %, the seller shall release certain securities of his choice upon request of the buyer.
5. The seller is entitled to assert his rights resulting from retention of title without withdrawing from the contract.

VIII. Scope of Granting of Rights

The buyer obtains the non-transferable, common right to use the software for an unlimited period of time. The buyer shall not transfer the conferred program and related documentation to third parties. Furthermore, the buyer shall ensure that no unauthorized persons gain access to the software. The program may not be altered and may only be copied for the purpose of data backup. Processing, de-compiling and disassembling the software is not permitted.

IX. Warranty and Liability

1. In order to obtain the right to warranty claims, the buyer shall inspect the goods upon delivery and immediately notify the seller of any apparent defects. §§ 377, 378 et seq. HGB apply.
2. In case of defects the seller shall be entitled, at his option, to either supplementary performance or replacement delivery. If the supplementary performance or replacement delivery have failed, the buyer is entitled, at his option, to either request a payment reduction or the cancellation of the contract.
3. The period of limitations for warranty claims is one year as well as to deliveries as to other services.
4. For products that are essentially manufactured by third parties, the warranty of the seller is limited to the assignment of warranty claims to which the seller is entitled against the supplier of the third party products, unless a settlement can not be achieved through the assignment of warranty claims.
5. If according to legal provision the seller is liable for a slightly negligent act causing damage, this liability covers the violation of substantive responsibilities of the contract only and is limited to the damage foreseeable at the time of agreement. This limitation does not apply in case of damage to life, body and health.

X. Final Clauses

1. Comprehension and interpretation of the General Terms and Conditions of Sale as well as conclusion and interpretation of legal transactions with the buyer shall be governed exclusively by the laws of the Federal Republic of Germany. The agreements of the U.N. Convention on the International Sale of Goods (CISG) do not apply.
2. If software is the object of delivery, §§ 69a through g UrhG apply.
3. Old appliances will not be taken back by the seller, but must be disposed of by the purchaser in accordance with the legal stipulations.
4. Should any provision or element of this contract be or become ineffective, then the validity of the remainder of the contract shall remain unaffected. In place of the ineffective provision, a legal settlement shall be made which best reflects the original intention of both parties, under the condition that such a settlement does not result in an essential modification of the contract contents. The same shall apply if questions arise that are not explicitly regulated.
5. The place of fulfilment for all obligations that arise directly or indirectly from this contractual relationship, including payment obligations, shall be the domicile of the seller.
6. The place of jurisdiction shall be the domicile of the seller. German law is the applicable law.