

General Terms of Technics and Installation

1 General Technical Data

1.1 Coating of Steel Components

SCHÖNENBERGER Systeme GmbH uses a powder coating as corrosion protection.

This coating which is applied by means of an electrostatic procedure consists of a mixed epoxy and polyester resin powder. The powder coating is applied with a thickness of > 60 µm and is extremely impact resistant and abrasion-proof.

Joining and fastening elements are electro-galvanised.

1.2 Coating of Aluminium Components

- Material: AlMgSi 0.5
- Colour:
- EV1: Natural colour (colourless layer approx. 20 µm)
- Surface treatment according to DIN 17611
- E6: anodised
- Type of profile: extruded hollow section

1.3 Synthetic Components

- Switch Basic Body: PA 6 GF30, Colour blue (RAL 5012)
- Trolley:
- Trolley-V, Link Bar: PA 6 GF30, Colour blue (RAL 5012)
- Trolley Roll: POM, Colour blue (RAL 5012)
- Single Carrier, Minitrolley: PA 6 GF 30, Colour blue (RAL 5012)

1.4 Conveyor Data – Standard

Conveyor Type	Speed	Comments
AFS Powered Rail	10 to 13 m/min	for trolleys, straight or 26°, with drag chain
KF Chain Conveyor (in-/decline)	10 m/min	for trolleys, 26° or 30°, with drag chain
TEF Transelasticon Conveyor	10 to 13 m/min	for trolleys, straight run or up to 2°, flexible pushers
SF Vertical Conveyor		for trolleys, only for vertical transport
ILS 2100 Distribution System	up to 30 m/min	for singles, small units and bags on identifiable carriers (SC, MT, ST), friction lock of carrier and drive belt with P&F function
CDDC Continuous Distribution and Dispatch Conveyor	10 to 15 m/min	for singles, side bow chain for flexible design (3-dimensional) with in-/decline up to 45°
RA Friction Wheel Drive	10 m/min	for (bobbin) trains only
CP2100 – Catch- and Pin Conveyor	10 to 30 m/min	for single GOH, straight and in-/decline up to 30°, drag chain

1.5 Media Consumption

Installation	Requirement	Technical Specifications
Compressed air - closed circular pipeline (to be provided by the customer)	To be determined	Working pressure 6 bar. Air quality 99.9 % in relation to 3µ - oil free. The secondary pipe work as well as maintenance and pressure reduction units are supplied by SCHÖNENBERGER Systeme GmbH.
Electrical power (to be provided by the customer)	To be determined (kVA)	Power infeed: 3 x 400 V/N/PE/50 Hz The equipotential bonding according to DIN VDE 0100, Part 540 or UEC 364-5-54 must be provided by the customer next to the main cabinet. Diversity factor approx.: 80% - depending on the installation.

1.6 Surrounding / Ambient Conditions

- ambient temperature in working areas 15°C – 40°C
- ambient temperature in restricted / inaccessible areas 5°C -50°C
- humidity 20%-60%

Further conditions that might have negative effects on appearance and functionality of the system:

- high air content of aggressive substances like acid or salt
- dust particles like sand or else
- nanoparticles from chemicals like paint, dye, varnish, oil
- gas emissions from parts or products

SCHÖNENBERGER installations are built for indoor applications.

2 Norms and Regulations Applied

SCHÖNENBERGER Systeme GmbH produces and installs according to European Standards (EN) and following regulations and directives:

- Declaration of Conformity resp. Declaration of Incorporation according to
- EC-Directive on Machinery 2006/42/EC incl. all relevant norms.
- EC-Directive for Voltage Limits 2014/35/EU (NSR).
- EC-Directive Electromagnetic Compatibility 2014/30/EU (EMV).

(The declaration is rendered void if the product is converted or modified without approval of SCHÖNENBERGER Systeme GmbH.)

- RAL-RG 603, version from August 2011 with the exception of the installation panels.
- VDE-Regulations.
- DGUV regulation and regulations of the employer's liability insurance association.
- Regulations for the place of work (ASR.)
- General conditions for the supply of machines and installations by the VDMA. (Association of German Engineering Shops).

3 Conditions to be met by the Customer

3.1 The customer is responsible for the following services

- All ground, construction and bedding work, if required scaffolding, and provision of all necessary building material.
- Organisation and fees of services and certifications from local or other authorities, fees for any technical control board.
- Obtaining all authorisations and inspections required for the preparatory work and the system to be installed, including, in particular, building inspections such as static inspections with respect to the dynamic and static loads on the building exerted by the equipment to be installed.
- General fire protection measures.
- Providing any connections for heating, lighting, water, compressed air and operating power for the equipment and the installation free of charge.
- Providing main supply cables to the required feeding points of the control cabinets.
- Providing forklifts and lifting platforms (e.g. scissor lifts).
- Providing waste containers and waste disposal.
- Providing internet access.
- Providing sanitary facilities, a changing room and first aid for the installation and service staff.
- Unloading of truck and transportation of the installation parts to the installation site.
- Providing the necessary dry and lockable premises for storing the tools belonging to the SCHÖNENBERGER installation staff.
- Ensuring that the installation site is freely accessible, closed, with normal temperature conditions, sufficiently illuminated for the installation and programming work, cleared and free of any other structural components. Theft-proof storage of material must be guaranteed.
- Ensuring that the floor has the required load-bearing capacity of concrete quality B25 and standard flatness tolerance according to DIN 18202 table 3 line 2 and 3 (of Oct 2005) and is fit for lifting platforms and forklifts. Free access to the installation site must be guaranteed.
- Ensuring that the potential drilling depth of the floor is min. 200 mm. Max. reinforcement of the floor 0,2 %, max. reinforcement diameter 10 mm.
- Ensuring that the installation work can be performed without interruptions. Delays during the installation not caused by SCHÖNENBERGER Systeme GmbH can result in additional costs and/or additional travelling hours/costs (see fig. 5.4) and will be charged separately after completion of the installation.
- Providing the staff and material and taking all other measures necessary for putting the system into operation and running tests.
- Cleaning the installation: SCHÖNENBERGER Systeme GmbH will leave the installation broom clean. In the event that the system is dirtied during or after installation by other tradesmen the customer shall be responsible for cleaning the SCHÖNENBERGER system.

Note: Impact loads on supports of the system have not been taken into account in the static calculations, necessary measures may have to be taken.

3.2 Co-operation by the Customer

The customer shall prepare the required organisation for the utilisation of the system and provide SCHÖNENBERGER Systeme GmbH with the necessary information, in particular, all data required by SCHÖNENBERGER Systeme GmbH for the production of the system. The customer shall provide this co-operation according to the time and work schedule of SCHÖNENBERGER Systeme GmbH.

Deliveries must be checked by the customer immediately.

3.3 The following shall apply for the Customer's helpers:

- Qualification: at least the equivalent of an approved locksmith, electrician or mechanic. SCHÖNENBERGER Systeme GmbH reserves the right to replace helpers after having run a check. The helpers must bring the specific tools of their trade.
- Addition: If a sufficient number of helpers is not available or if these helpers are insufficiently qualified SCHÖNENBERGER Systeme GmbH may decide to use additional SCHÖNENBERGER mechanics of its choice and at the customer's expense (see 6.4).
- Working Hours: According to the instructions of the SCHÖNENBERGER construction site manager, possibly including the unloading of lorries. The 5 day week customary in Germany (Mo-Fr) 10 hrs./day, i.e. max. 50 hrs./week shall apply.
- Liability: SCHÖNENBERGER shall not assume any liability in the event of an accident due to a failure by the helpers to comply with the safety regulations.
- Unqualified or insufficiently qualified helpers may be refused by the SCHÖNENBERGER installation manager. Unauthorised persons may be dismissed from the construction site by the SCHÖNENBERGER installation manager.



General Terms of Technics and Installation

4 Limitation period for claims based on defects

The limitation period for claims based on defects shall, as a rule, be based on the General Terms of Delivery / Installation and Payment of SCHÖNENBERGER Systeme GmbH.

In the event that the installation/initial operation is not performed by SCHÖNENBERGER Systeme GmbH the limitation period for claims based on defects shall only be granted for individual structural components.

The limitation period for claims based on defects for mechanical, electrical and pneumatic components (conveyor system) and trolleys shall be 12 months (for a one-shift operation) as from completion of the installation work or trial time.

SCHÖNENBERGER Systeme GmbH shall not be liable for the normal wear and tear through usage of components which are subject to such wear and tear if used according to instructions.

5 Instruction and Training

5.1 Instruction

The offer price includes a general instruction of the operating and maintenance staff with respect to the functioning and operation of the delivered equipment. The instruction will be given either during installation or after completion.

The instruction comprises:

- brief theoretical and practical instructions of the logistic procedures
- technical instruction for the handling of the various system components
- remission of the technical documentation

5.2 Training

A training of the operating staff is not included in the offer price. Training can be offered separately or charged on the basis of the services provided (for daily rates see 5.4).

6 Services

6.1 Spare Parts Package

The offer **does not** comprise a spare parts package. Upon request or in the event of an order we will gladly provide a spare parts proposal which will enable the customer to maintain the technical reliability of the system by keeping spares of critical components for urgent exchange on site.

Additional spare parts can be ordered during regular working hours.

6.2 Hotline Service

Hotline Contract

After expiry of the warranty period, SCHÖNENBERGER Systeme GmbH offers a hotline service contract to be concluded. It shall be regulated in a separate agreement. Current prices can be provided upon request.

Remote diagnostics service

For remote diagnostics and error management from Monday through Thursday from 8.00 a.m. through 4.00 p.m. and Fridays from 8.00 a.m. through 2.00 p.m. (except on public holidays) costs shall be charged at a rate of 120,00 € for any 1/2 hour commenced. No guaranteed response time can be given.

6.3 Customer Service / Maintenance Services

In the event of a breakdown our service specialists can be reached by phone from Monday through Thursday from 8.00 a.m. through 4.00 p.m. and Fridays from 8.00 a.m. through 2.00 p.m. (except on public holidays). On-site work is possible if required and agreed with you. During the limitation period for claims based on defects our service is free of charge. Thereafter a service or maintenance contract must be concluded to obtain this service.

6.4 Planning Support

We look forward to support you with extensions/modifications. As far as modifications after completion of the planning phase (detailed layout confirmed by the customer as planning blue-print for the project execution) are concerned we reserve the right to charge the following rates for the required additional planning work:

- Project manager € 1,320.00/day (8 hrs./day) or € 165.00/hr.
- Programmer € 1,320.00/day (8 hrs./day) or € 165.00/hr.
- Training, consulting € 1,120.00/day (8 hrs./day) or € 140.00/hr.
- Site Supervisor € 75.50/hr.
- Electrician € 75.50/hr.
- Maintenance service with maintenance contract € 895.00/day (incl.travel expenses)
- Maintenance service without maintenance contract € 995.00/day (incl.travel expenses)

Travelling time will be billed at the same rate as labour.

Travel expenses will be charged on the basis of receipts.

- Costs / kilometre travelled € 1.00/km

All prices refer to services in Germany; international services on request.

Services which exceed the above-mentioned times will be charged with the following surcharge:

- Night Work from 6.00 p.m. to 9.00 p.m. + 50 percent
- Night Work from 9.00 p.m. to 6.00 a.m. + 100 percent
- Saturdays + 50 percent
- Sundays and Public holidays + 100 percent

Daily expenses will be charged according to the applicable lump sum amounts for board and lodging laid down by the BMF in the applicable version, hotel expenses will be based on the receipt.

All the prices listed above are subject to the addition of the value added tax.

SCHÖNENBERGER Systeme GmbH reserves the right to increase the above listed prices reasonably in the event of an increase of its cost prices as from four months after conclusion of an agreement on deliveries and services.

7 Acceptance and Final Hand-Over to the Customer

7.1 Time of Acceptance

SCHÖNENBERGER Systeme GmbH indicates when the system is ready for acceptance. The required acceptance must then occur within a period of 2 weeks unless special acceptance conditions were agreed by contract between the customer and SCHÖNENBERGER Systeme GmbH.

7.2 Acceptance Procedure

7.2.1 Tests

a) Tests such as mechanical pre-tests are run on a continuous basis during the completion process of the system. The mechanical pre-tests are run on the lowest level to check whether all the elements of the system (e.g. sensors, guides, motors) function and whether the individual control elements are correctly connected to the control system.

b) Function tests are run to test and simulate the functionality of the transportation controls. The function tests can also be run during the installation work with the mutual agreement of both contracting parties.

7.2.2 Acceptance and Delivery of the System to the Customer

a) A SCHÖNENBERGER facility is handed over after completion of the installation and possibly after the running of the function test described in detail in the specifications. The instruction of the operating staff will have been completed by that point. A delivery according to various completion phases must be agreed separately by contract.

b) The following items are checked for the handing over of the system:

- Complete delivery of goods.
- Quality and execution of the installation work.
- Installation according to layout.
- Functioning and performance of the system or installation phase.
- Passing of risk to the customer as operator.
- Possibly function test if described in detail in the specifications.

c) Acceptance occurs after the handing over of the system and is recorded in an acceptance report signed by both parties.

d) The handing over and acceptance of the system by the customer can be performed by way of a joint viewing and functions tests on system components.

e) Minor defects which do not impact the performance of the system as agreed by contract may not impede an acceptance of the system. The contractor shall have a reasonable period of time to carry out the required refinishing tasks.

f) Once acceptance is completed liability is passed to the customer and the warranty period begins.

Terms of Delivery/Installation and Payment of SCHÖNENBERGER Systeme GmbH

For the Sale, Delivery and Installation/Dismantling of Technical Conveyor Systems and Facilities as well as Parts thereof
Valid only for Commercial Business

These terms and conditions set down by SCHÖNENBERGER Systeme GmbH (hereinafter called Schönerberger) shall apply to customers who are pursuing their commercial or self-employed professional business activity (entrepreneurs) when concluding the contract and to legal entities under public law or a separate fund under public law.

1 General Provisions

All deliveries and services provided by Schönerberger shall be based on these terms as well as possibly concluded separate contractual agreements.

Schönerberger shall continue to have the ownership and copyright of the offer including all documentation, illustrations, samples, costs estimates, drawings, calculations and any other records in any form what so ever, including electronic data. The customer shall return these documents and the above information to Schönerberger if the order is not realised.

2 Scope of Order, Processing and Impossibility

2.1

Type and extent of the deliveries and services shall be determined finally by Schönerberger's offer and a corresponding confirmation of the offer by the customer and a re-confirmation by Schönerberger if the latter does not correspond. The written confirmation of offer by Schönerberger shall constitute the contract in the absence of a special agreement. Deviations from the contents of the original order shall be agreed by way of supplementary orders.

The following terms shall apply as prioritised in the following for the processing of an order:

- Contractual terms agreed separately (offer and confirmation of order including respective enclosures);
- Agreed specifications;
- Schönerberger terms of delivery/installation and payment and general terms of technics and installation;
- Legal regulations.

The customer's purchasing conditions shall only apply after express confirmation by Schönerberger and shall not constitute part of the contract even after order confirmation by Schönerberger.

2.2

Schönerberger shall be entitled to exclude liability if the customer demands features, possibly after placement of the order, which do not correspond to the technological development of the products to be delivered and the systems. Schönerberger may refuse execution if it has safety concerns. In the event that the customer demands new developments, further developments or modifications after placement of the order the customer shall carry the costs incurred. Schönerberger shall reserve the right to implement modifications which become necessary due to official requirements or structural necessities. The customer shall carry related additional costs. Schönerberger shall not be liable for the organisational planning and implementation of operational procedures and the intended use of the system. This shall also apply if the customer communicated its concept before placement of the order and Schönerberger was not also instructed with the planning of this concept.

2.3

Fig. 6 shall apply accordingly for any type of damage claims arising from the impossibility of providing the delivery or service. Insofar as Schönerberger is not forced to assume unlimited liability according to fig. 6.2 any compensation for damages due to the impossibility of a delivery/service or any compensation for lost expenses shall be limited to maximum 50% of the respective order value. The customer's right to withdraw from the contract shall not be affected.

The customer shall not be entitled to any damage claims in the event of Schönerberger's or one of its supplier's inability to perform through no fault of their own and in the event of force majeure.

Schönerberger's obligation to take responsibility for the fulfilment of its delivery and performance obligations shall be subject to the reservation that Schönerberger obtained delivery correctly and in due time, providing Schönerberger proves that it concluded a corresponding covering operation with its supplier and the latter failed to perform. Schönerberger shall immediately communicate a foreseeable default on a delivery by the supplier.

2.4

In the event that Schönerberger describes the nature and quality of goods and services this shall not constitute a warranty as long as a warranty commitment is not expressly given in writing.

3 Advance and Additional Services

3.1

The following shall apply for the rendering of installation services at the customer's operation site. The customer shall provide all advance and additional services necessary for the installation of the facility, such as building and operating permissions, officially examined static calculations etc. at its own costs and risks. The customer shall provide the personnel and technical installations such as heating, lighting and operating power with connections to the installation sites as requested by Schönerberger. The customer shall furthermore provide suitable dry and lockable rooms for the storing of work material and tools as well as staff work and recreation rooms. The customer shall have no-fault liability for any damage from theft, fire, water and any other loss.

3.2

In the event that the start or procedure of the work is delayed due to circumstances for which Schönerberger cannot be held responsible the customer shall carry all the additional costs. This shall also apply for interruptions caused by structural modifications of the system requested by the customer.

3.3

In the event of deliveries without installation services Schönerberger shall not be obligated to check the customer's orders in terms of usability and suitability for their intended use.

4 Delivery and Performance Deadlines, Completion Dates, Acceptance

4.1

Delivery/performance and completion dates shall be agreed individually. Deadlines shall be extended for a reasonable period of time and dates for the start or termination of the services shall be postponed if certain components of the contract are defined by mutual agreement only after placement of the order, the customer does not render its advance services on time before performance is due or if the contents of the order are modified due to other agreements or circumstances for which Schönerberger cannot be held responsible or the uninterrupted completion is impeded. Schönerberger may also demand that the delivery and performance deadlines and completion dates be re-determined if the customer requested modifications to the contents of the order, for example, in the event of illegal requirements or unexpected additional requirements by the public authorities.

Deliveries shall be ex works and the delivery deadline shall be deemed to have been met once notice that the goods are ready for shipment is given also if the dispatch from the delivering plant or the warehouse is not possible through no fault of Schönerberger. The same shall apply to collection by the customer.

4.2

The customer shall set a reasonable additional period in the event that the agreed delivery and performance deadlines and completion dates are exceeded.

Fig. 6 shall apply accordingly for damage claims of any type due to late delivery and performance. Insofar as Schönerberger is forced to assume unlimited liability according to fig. 6.2 the compensation for damages due to the culpable delay of a delivery/performance shall be limited to maximum 50% of the respective order value. The right to fix lump-sum damage compensation in special contractual provisions is reserved.

In the event that Schönerberger or its suppliers are incapacitated through no fault of their own and in the event of force majeure the customer's damage claims for delay and other reasons shall lapse.

Compliance with delivery/performance deadlines and completion dates shall be subject to the reservation that Schönerberger obtained delivery correctly and in due time, providing Schönerberger proves that it concluded a corresponding covering operation with its supplier and the latter failed to perform. Schönerberger shall immediately communicate any foreseeable delays.

4.3

The customer shall take receipt of the completed work upon Schönerberger's request. Acceptance shall be considered completed with the termination of the last partial acceptance if all parts of the service to be rendered have been fully accepted. In the event that acceptance does not occur the service shall be deemed to have been accepted upon expiry of twelve working weeks after written notice of completion, at the latest, however, once the service rendered is put into operation.

5 Passing of Risk, Warranty

5.1

The risk for the deliveries shall pass to the customer ex Schönerberger's manufacturing plant or warehouse. It shall also pass to the customer if dispatch is delayed upon the customer's request as from notice of readiness for shipment.

This shall also apply, if agreed, to deliveries of objects dispatched to the customer for the provision of an installation service on the basis of a contract for work and services or a contract for work and materials. Otherwise the risk shall pass to the customer with the arrival of the delivery/installation goods at the installation site.

5.2

The customer shall report obvious defects which are recognisable during a standard inspection immediately after delivery in writing. The customer shall, furthermore, report defects which are not obvious and recognisable during a standard inspection immediately upon discovery in writing.

5.3

The warranty period for deliveries and services shall be 12 months and come into effect with the acceptance of the installation work or delivery of the goods to be delivered. Liability for defects shall be limited to re-working or replacement of the parts objected to at Schönerberger's discretion. The customer shall have the choice of demanding a reduction of the fee or a rescission of the contract in the event that the re-working or the substitute shipment fail or the deadline for the removal of the defects is not observed.

In the event that a system to be delivered/installed by Schönerberger is to be fully or partially used by the customer already before acceptance such an arrangement must be agreed by contract prior to the beginning of the installation work. The risk passes once the customer has started to operate the facility, also with respect to the use of the system or parts thereof by the customer. In such cases, contractual advance acceptance for the areas to be used can be agreed prior to the start of the installation work.

In the event that the systems delivered are serviced or repaired contrary to the user manual delivered with the system or used contrary to regulations Schönerberger's warranty and liability shall lapse irrespective of the legal grounds unless Schönerberger is otherwise at fault and therefore forced to assume co-liability according to fig. 6. Schönerberger shall also not be liable for the consequences of damaging influences such as an aggressive climate at the installation/utilisation site of the deliveries/services (unless Schönerberger was responsible for taking such circumstances into account) and in the event of the utilisation of the deliveries/services for purposes other than normal operation.

5.4

Schönerberger shall not warrant for the supply of third-party products insofar as the customer was informed hereof at conclusion of the agreement. Schönerberger shall in this respect assign warranty claims against the supplier companies to the customer who hereby accepts the assignment.

5.5

Schönerberger shall not be liable for the normal wear and tear through usage of delivery and/or installation components which are subject to such wear and tear if used according to instructions ("components subject to wear").

6 Liability

The following regulations shall apply irrespective of the legal grounds, in particular, but not exclusively, to damage claims in addition to or instead of the performance, also claims relating to defects, the failure to comply with duties resulting from an obligation as well as to compensation claims for lost expenses, claims based on a delay and a tortious act.

6.1

In the event that an installation part supplied by Schönenberger is damaged through the fault of Schönenberger the latter shall have the choice of either repairing it at its own costs or supplying a new part. Insofar as it is Schönenberger's fault that the supplied or installed part cannot be used by the customer as agreed in the contract due to the omission or faulty execution of proposals and advise prior or after conclusion of the agreement or due to the violation of other additional contractual obligations – in particular operation and maintenance instructions for the delivered objects – the regulations regarding liability for breach of warranty and the following regulations shall apply accordingly with the exclusion of any further claims by the customer.

6.2

Schönenberger shall always be liable for damages – on whatever legal grounds –

- if committed with intent
- in the event of gross negligence on the part of the proprietor/the bodies or senior executives
- in the event of injury to life, body and health,
- in the event of defects which were fraudulently concealed or the absence of which was guaranteed
- in the event of defects in the product supplied insofar as the product liability law stipulates liability for personal or material damage to objects used privately.

6.3

In the event of a culpable violation of essential contractual obligations Schönenberger shall also be liable for the gross negligence of employees not in a leading position and for slight negligence, in the latter case this shall be limited to the reasonably foreseeable damage typical under the contract.

6.4

In cases of gross negligence Schönenberger's liability shall be limited to the reasonably foreseeable damage typical under the contract unless one of the other compelling reasons for liability according to fig. 6.2 is given.

6.5

Further claims shall be excluded.

7 Prices

The prices for the services shall be standard and lump-sum prices to which the value added tax must always be added. Deliveries of equipment and system parts not installed by Schönenberger shall be subject to the prices on Schönenberger's price list valid at the respective time of order. Standard and lump-sum prices for services rendered according to the confirmed order shall apply as list prices for a period of four months as from placement of the order. In the event that personnel and material costs increase during the respective time periods Schönenberger may demand a reasonable increase for subsequent services.

8 Reservation of Title

Schönenberger shall reserve ownership of the objects delivered and installed until receipt of all payments due on the basis of the delivery and installation agreement. The customer shall inform Schönenberger in advance in the event that the customer mixes and processes the delivered and installed objects with other objects. In any case, Schönenberger shall become a proportionate co-owner of the impersonal entity created with the objects it supplied with a share corresponding to the share it contributed to this entity. In the event of a linking or mixing which would make the customer's entity the principal entity it is hereby agreed that the customer shall transfer a pro rata co-ownership share to Schönenberger; the supplier shall hold the sole ownership or co-ownership in custody for Schönenberger. The determination of the value of the co-ownership share which arises for Schönenberger shall be based on the calculation of the value of the parts supplied by Schönenberger according to the invoice amount including VAT, the other objects, in particular, those belonging to the customer shall be based on the current market value.

Insofar as the market value of the security collateral yet to be realised by Schönenberger, including the realisation costs, exceeds the value of Schönenberger's still outstanding receivables from the customer by more than 20% Schönenberger shall be under the obligation to release a proportionate part of the reserved property.

The customer may not sell, pledge or transfer ownership of the delivered/installed objects to provide security. The customer shall immediately inform Schönenberger of any pledges and confiscations or other dispositions by third parties.

In the event that the customer acts in breach of contract, in particular, in the event of a delay in payment, Schönenberger shall be entitled to take back the goods delivered/installed after a warning and the customer shall be obliged to hand these over immediately. Due to the reservation of title Schönenberger may only demand the return of the goods delivered/installed if it has withdrawn from the contract.

In the event that insolvency proceedings are instituted against the customer's assets or in the event of unavoidable enforcement procedures by third parties against the reserved goods Schönenberger shall be entitled to withdraw from the contract and demand the immediate return of the goods delivered/installed.

As long as its reservation of title is in force Schönenberger shall be entitled to insure the goods delivered/installed at the customer's expense against theft breakage fire water and other damages if the objects have to be at hand on the construction site during the installation work and if the customer doesn't provide proof of having insured the goods itself.

9 Settlement of Payments

The setting off and exercise of the retention right against Schönenberger's claims which have not been recognised or legally declared on whatever legal grounds shall be excluded. Schönenberger shall be entitled to assign its claims to third parties. Costs for means of payment which Schönenberger has assumed on account of performance shall be charged to the customer.

The amounts billed shall be paid within 14 days after receipt of the invoice if not otherwise stipulated in an invoice.

The minimum order value is 100 Euro net. If an order does not amount to this value Schönenberger is entitled to bill the whole minimum order value of 50 Euro.

If the customers' due payment is delayed by more than 30 days, we are entitled interest at a value of 8% above the respective base interest rate p.a. as far as the customer is a firm.

If the customer is a consumer, the interest will be at value of 5% above the respective base interest rate.

10 Statute of Limitation

All of the customer's claims – based on whatever legal grounds - shall become statute-barred after 12 months. The statutory limitation periods shall apply to the damage claims under section 6.2 a) through e). These shall also apply to defects in a construction or to delivered objects which were used for a construction according to their customary intended use and caused defects in the construction.

11 Software Utilisation

Insofar as software is included as part of the goods to be delivered the customer shall be granted a non-exclusive right to use the software supplied including respective documentation. It shall be provided for utilisation on the object delivered/installed for which it was intended. The utilisation of the software on more than one system shall not be permitted.

The customer may only reproduce edit and translate the software or transfer its object code into the source code to the extent legally permitted (Sections 69a of the copyright law). The customer engages not to remove manufacturer information – in particular copyright notices – or to modify these without Schönenberger's prior express consent. A claim to disclosure of the software's source code is not established.

All other rights to the software and respective documentation, including copies thereof, shall be retained by Schönenberger or the software supplier. The granting of sublicenses shall not be permitted.

12 Amendments to the Contract

Amendments or supplements to the contract shall be made in writing. Insofar as individual provisions or parts thereof are or become invalid the validity of the remainder of the contract shall not be affected. The contracting parties engage to replace the invalid provision by a valid one which comes closest to the economic intention of the original one.

13 Confidentiality

The customer shall be under the obligation to treat all illustrations drawings calculations and other records and information (see also fig. 1) received strictly confidentially. These may only be disclosed to third parties with Schönenberger's express consent. The duty to maintain secrecy shall also apply after performance of this contract; it shall expire if and insofar as the manufacturing know-how contained in the illustrations drawings calculations and other records provided has become generally known.

14 Place of Performance and Jurisdiction

Place of performance and jurisdiction for both parties shall be Landsberg. Insofar as legally permissible, both parties engage to agree in an effective way that Munich shall be the place of jurisdiction in the event of any legal dispute after pendency of the claim. Schönenberger shall also be entitled to sue the customer at the place of its registered office. This contract and all legal issues arising from it shall be subject to German law. The Vienna UN convention on contracts for the international sale of goods of 04/11/1980 shall not apply.