

General Terms and Conditions (GTC)

Sales, Deliveries, Assembly, Maintenance and Repairs carried out by General Diagnostic

The following terms and conditions shall apply exclusively to our deliveries and services. Differing or supplementary terms and conditions on the part of the purchaser, as well as additional agreements, shall only be valid if they have been expressly accepted by us in writing. The following terms and conditions shall also apply if, being aware of terms and conditions which are contrary to or differ from our own, we make supplies to the purchaser without reservation.

I. Offer and Conclusion of Contracts

Our offers are always without obligation (free and non-binding). They should be legally construed as an invitation to bid. We shall not be deemed to have accepted an order until we have done so in writing.

Our written confirmation of the order shall be solely binding as to the quantity and quality of the goods and services to be supplied. Amendments must be expressly confirmed by us in writing.

Verbal agreements before or at the time of the contract's conclusion shall not be valid unless we have confirmed them in writing.

These terms and conditions shall supersede our previous delivery terms. They shall be valid until such time as new terms of delivery come into force, and shall also apply to any future deliveries to the purchaser.

Should the transfer of software fall within the scope of the delivery, the following shall apply: all rights, especially copyrights and rights of exploitation and reproduction shall remain with us in principle unless we have transferred these to the purchaser on the basis of a specific written agreement. The purchaser shall merely be granted a right of use, permitting him to use the software for the purpose set out in, or naturally arising as a result of, the contract.

II. Prices

All prices are quoted ex-works, excluding packaging. This shall be charged for separately at cost and is non-refundable.

Our prices are daily list prices based on current component costs for materials, wages and overheads. If, in accordance with the agreement, delivery takes place more than 4 months after the conclusion of the contract and if these costs have changed in the period to delivery, we are entitled to invoice using the list prices prevailing at that time.

Repaired goods shall be returned, unless these are covered by liability for material defects, in exchange for an appropriate fee for shipping and packaging in addition to payment for the service we have provided.

III. Payment

Unless anything to the contrary has been agreed in writing, particularly deposits or payments on account for staged deliveries or installation progress, payments by the purchaser shall fall due upon receipt of the invoice and must be made immediately, or after 30 days for approved accounts in full. We can however make deliveries conditional upon the receipt of a matching payment (for example through payment on delivery, or direct debiting) or alternatively, a prepayment.

Payments should, in principle, be made in cash or by cheque in GB Pounds Sterling, bank transfer (BACS). Postal transfer. If cheques or bills of exchange are accepted, they will be regarded as conditional payments only until such time as they have been cashed. Discount and collection charges and interest, plus value added tax, shall be borne by the purchaser. Where the purchaser pays by direct transfer, his obligation shall only be discharged when the transfer has been made to the account specified by us.

Should the purchaser be partially or fully in default of his payment obligation, he shall – notwithstanding any additional rights on our part – henceforth pay interest including value added tax on the amount still owing at a level of 8.00% above the National Bank's annual base rate. To the extent that we can charge interest after the due date, the same interest rate shall apply. We reserve the right to enforce a claim for any greater loss.

If the purchaser is in arrears with a payment or ceases his payments, or if there is cause for opening over-indebtedness or other insolvency proceedings or the opening of such proceedings has been requested, or if his cheques or bills of exchange are not honoured, all outstanding payments – including deferred or as yet un-invoiced amounts - shall be payable immediately. The same shall apply if the purchaser's financial position deteriorates substantially in any other way. If the purchaser's financial position deteriorates substantially we are entitled, at our discretion, to demand that he furnish prepayments or collateral against the amounts due to us under all existing contracts and to withhold our services or deliveries until such prepayments or collateral are provided. If the purchaser is in arrears with this prepayment or collateral, we are entitled, after an appropriate period of grace, to withdraw from the contract or to claim damages for non-performance.

We are entitled to set payments off against the earliest payment due.

The purchaser shall only have the right to withhold payments or to set them off against counterclaims to the extent that his counterclaims are uncontested or adjudicated with Res judica effect by a court of law.

Should the purchaser be entitled to make warranty claims under Items IX and X due to work having been poorly carried out, he may only assert his legal right to withhold payment against the amount due by him insofar as the amount withheld bears an appropriate relationship with and does not exceed the effective diminution in value caused by the faulty performance. Even this right is suspended if we have acknowledged our warranty obligation in respect of the defect in question, and have lodged a security of an appropriate value, which may also take the form of a bank guarantee.

IV. Obligation to Deliver

If the purchaser has to pay a deposit or provide evidence that financing has been secured, then the delivery period shall only commence once the purchaser has carried out these obligations. Additionally, the delivery period shall not commence until the purchaser has furnished us with all necessary documentation and permits and provided us with all other necessary assistance and cooperation. If these preconditions are not properly met in good time, then the delivery period will be extended appropriately; this provision shall not apply if the supplier is solely responsible for the delay.

The supply period is deemed to have been met if, prior to its expiry, we have prepared the goods for dispatch and given due notification of this.

If the purchaser subsequently requests changes, the delivery period shall be extended appropriately.

The delivery period shall be extended appropriately if unforeseen difficulties arise, which are beyond our control, such as force majeure, official intervention, strikes and other work interruptions, delays in the delivery of goods which were demonstrably ordered in good time and unavoidable lockouts due to industrial disputes. We shall not be held responsible for any of the aforementioned circumstances, even if we are already in arrears with our delivery at the time of their occurrence.

If we are in arrears with our delivery the purchaser must, at our request, declare within a reasonable period whether he will insist upon delivery or exercise his other rights.

Cancellation of the contract by the purchaser based on the applicable legal provisions shall be limited to cases where the supplier is responsible for the delay.

Part deliveries, which are invoiced accordingly, shall be permitted unless they are unacceptable to the purchaser

V. Transfer of Risk and Acceptance

Risk passes to the client at the very latest when the delivery item has left our factory premises. This also applies when partial deliveries are made, or when we have taken on responsibility for any other services such as the payment of transport costs or the delivery.

If the delivery item's dispatch is delayed for reasons for which the purchaser is responsible, risk shall be transferred to the purchaser on the date at which he was informed that the item was ready to be dispatched. This shall also apply in the event that the delivery item is stored in our warehouse at the purchaser's request.

Delivered items must be accepted, even if they have slight defects or if only a partial delivery is made. The purchaser's rights arising from our liability for defects remain unaffected by this.

VI. Default in Acceptance by the Purchaser

If the purchaser defaults in acceptance, we may – all other rights notwithstanding –

Immediately issue an invoice and suspend the performance of our services until such time as the purchaser has paid the amount due by him in full.

Once an appropriate period of grace has been set, which may not be shorter than 14 working days, withdraw from the contract or claim damages for non-performance. In the latter case, should we claim damages amounting to less than 15% of the contract amount, no evidence shall be required to substantiate this. The purchaser shall retain the right to offer proof that no loss at all was incurred or that the loss was substantially lower than the sum agreed. The same shall apply in cases, where the purchaser has undertaken to pick up the delivery item from us, or to arrange for a third party to do so.

VII. Retention of Title

Title to the delivered goods shall remain with us until all claims currently due to us or which may subsequently arise out of our business relationship have been paid in full.

The purchaser is entitled to process or combine our products in the ordinary course of his business. We shall acquire part ownership of the products resulting from any such processing or combination, to secure our rights as set out in Item 1, and the purchaser is deemed already to have transferred such part ownership to us. The purchaser must, as an accessory obligation under the terms of the contract, store those partly-owned products at his premises free of charge. We shall acquire partial ownership of the product in the same proportion as the ratio of the value of our product at the time the processing or combination took place to the value of the resulting end-product.

The purchaser is entitled to re-sell these products in the ordinary course of his business for cash, or subject to retention of title. The purchaser hereby transfers to us all receivables including all secondary rights resulting from the sale of our product, regardless of whether our product has been processed further. The assigned receivables shall serve as security for all claims under Item 1. The purchaser is authorised to collect the assigned receivables. We may revoke the purchaser's rights under Item 3 if the purchaser does not properly fulfil his contractual duties towards us, especially if he defaults on payment. These rights shall also expire without being expressly revoked if the purchaser ceases his payments for any significant length of time.

The purchaser shall, at our request, promptly provide us with written information regarding any sales of goods fully or partially owned by us, specifically: to whom these sales were made and which receivables are now due to him as a result of these sales. He shall also, at his own expense, provide us with publicly authenticated documentation of the assignment of the receivables.

The purchaser is not entitled to dispose of the products partially owned by us or subject to retention of title or of the receivables assigned to us in any other way. The purchaser must inform us without delay of any distraints or other impairments of rights with respect to the products or receivables to which we have full or partial title. The purchaser shall bear all costs necessarily incurred in the revocation of any third-party seizure of our reserved or collateral property and in the recovery of the goods, to the extent that these costs cannot be recovered from the third parties themselves.

We are entitled to demand the surrender of our reserved or collateral property if the purchaser defaults on payment or otherwise culpably breaches material contractual obligations. Should we exercise this right, then this shall only constitute a rescission of the contract if we expressly declare this.

If an application is made for insolvency proceedings to be opened, we are entitled to rescind the contract and demand the immediate return of the delivered goods.

Should the value of the existing collateral exceed our secured receivable accounts by more than 10%, then we shall, upon the purchaser's request release an amount of this collateral of our choosing.

VIII. Assembly, Maintenance and Repairs

We shall carry out assembly, maintenance and repair work on the basis of the following provisions.

To the extent that the purchaser needs to carry out any preliminary work, he shall be responsible for its timely and professional execution on the basis of information to be provided, sketches and any other planning documents, as set out on the order confirmation. The purchaser must make sure, in advance of the installation, assembly or repair date to be notified by us, that the preliminary work has been properly carried out. If an assembly is ruled out due to reasons for which the purchaser is responsible, then he must compensate us for any costs incurred by the wasted journey. The same shall apply to work due to be carried out on computer equipment. Regarding such work: The purchaser is responsible for the security of his data, which could be jeopardised by the performance of our services.

Unless otherwise agreed, the cost of transporting the equipment to be assembled shall be borne by the purchaser, as shall the costs of any unloading aids or other similar equipment.

The purchaser must also ensure, at his own expense, that the premises are suitable for carrying out this assembly and that the requisite power supply is available.

Unless otherwise agreed, we shall charge out the time and labour spent on providing our services on the basis of the hourly rate valid at that time. Any additional travel costs, overnight stays and accommodation allowances must also be settled.

The purchaser must satisfy himself promptly that we have carried out our work in a proper manner and must either pass this after inspection, or notify us of any defects discovered. Our work is deemed to have been accepted if the equipment is brought into service at the workshop or in the course of the purchaser's business. It is furthermore deemed to have been accepted if no written, substantiated complaint in respect of a defect has been filed within one month of the work's completion. The purchaser's right to notify us of any defects, of which he subsequently becomes aware, and to demand that we remedy these as part of our warranty obligation, remains unaffected.

Any parts replaced shall pass into our ownership without compensation, unless we agree on a charge with the purchaser.

IX. Liability

We shall be liable for damages and compensation for wasted expenditure within the meaning of the U.K. Civil Code (hereinafter "compensation for damage") in consequence of breaches of contractual or non-contractual obligations only

- a) In cases of intent or gross negligence,
- b) In cases of deliberate injury to life, body or health,

- c) Further to the assumption of a quality guarantee,
- d) In cases of negligent or deliberate breaches of material contractual obligations,
- e) On the basis of mandatory liability in accordance with the Product Liability Act or
- f) On the basis of any other mandatory liability.

Compensation for damage arising from the breach of material contractual obligations is limited, however, to the foreseeable damage typically associated with the contract, except in cases of intent or gross negligence, or where liability is assumed further to deliberate injury to life, body or health or to the assumption of a quality guarantee.

The above provisions do not imply a change to the burden of proof to the detriment of the purchaser.

X. Scope of Liability, Warranty, Burden of Proof

We shall be liable for defects in delivery, to the exclusion of any further claims, as follows:

Our deliveries are covered by a 12-month warranty. The limitation period with respect to defects shall commence

- a) At the time when the item was brought into use – i.e. when it was integrated,
- b) In all other cases, when the item was delivered to the end user.

The limitation period with respect to defects (cf. Item X.1 above) shall begin no later than 6 months after the item has been delivered to the purchaser (transfer of risk).

The above provisions shall not apply if U.K. law imposes longer limitation periods. Where the delivery item has been put into storage, the warranty period shall start running from the date of the item's delivery/collection, in any case no later than 12 months after the item was declared ready for dispatch/dispatched. This shall not apply to the delivery of used goods, with respect to which no warranty is provided. The warranty period for demonstration models will be agreed during the sales negotiations. The same applies with respect to exchange parts, replacement parts and repairs.

If a defect arises within the limitation period and the cause of this defect was present at the time when risk was transferred, we shall have the option of remedying this either by repairing the defect or by delivering a defect-free replacement.

As a result of this subsequent performance, the limitation period will begin anew.

Any claims by the purchaser with respect to expenses incurred in the course of any subsequent performance, especially costs of travel and transport, labour and materials shall be determined in principle by the statutory provisions. This shall not apply to the extent that these expenses are increased because the delivery item was subsequently brought to a location other than the purchaser's branch office, unless doing so complies with the intended use of the supplies.

The purchaser may not refuse to accept deliveries due to minor defects.

The goods must be examined by the purchaser immediately after they have arrived at their destination. Obvious defects must be reported to us within a cut-off period of 7 working days. Use of the item must cease immediately upon the discovery of any defect, if this is necessary to prevent

further damage. Hidden defects must be reported to us no later than 7 working days after their discovery. If a defect is reported after this time, all claims by the purchaser with respect to its rectification will be deemed to have expired.

Claims in respect of defects shall be refused if there is only a minor deviation from the agreed quality or only a minor impairment in the item's serviceability.

Our liability for defects does not apply to natural wear and tear, neither does it apply to losses or damage caused after risk has been transferred owing to improper handling, storage, installation, assembly or initial start-up by the purchaser or a third party, incorrect or negligent handling, inappropriate operating equipment, defective construction work, an unsuitable base or chemical, electrochemical or electrical interference, a failure to observe the installation and handling instructions or excessive strain or use. Any obligation under the warranty shall be extinguished if the purchaser or a third party carries out modifications or repairs to the item governed by this contract without our consent.

Claims by the purchaser with respect to items listed in the user manual as "parts subject to wear and tear" shall only be accepted if no natural wear and tear has occurred. The purchaser's rights remains unaffected by this.

The following do not constitute defects:

- a) Characteristics of the goods or damage caused by force majeure, special external circumstances not foreseen under the terms of the contract or due to the product being deployed for tasks outside its normal scope of use or beyond those provided for under the terms of the contract;
- b) Non-reproducible software errors.

No claim in respect of defects may be asserted if the product is modified by third parties or further to the installation of parts manufactured by third parties unless the defect has no causal connection with the modification. We are not liable for the quality of the product, where this is dependent upon its design or the choice of materials, to the extent that these were stipulated by the purchaser.

Provided that a warranty claim is valid, we are obliged to remedy this but have the option of either repairing the defective part(s) or substituting the delivery item or the defective part(s) with a defect-free replacement.

The purchaser must grant us adequate time and opportunity to undertake whichever repairs appear necessary to us and to deliver and install any replacement parts. Should he refuse to grant us this, then we are released from our liability for defects.

Where we are delivering products manufactured by third parties, we reserve the option to assign our warranty claims against the sub-contractor for the fulfilment of our warranty obligation to the purchaser. In this event, the purchaser may only make a warranty claim against us if it is demonstrably impossible or unreasonable for him to assert these assigned claims out of court. We shall, upon request, provide the purchaser with all the necessary information for him to pursue his warranty claims, and shall reimburse him for all expenses incurred, in consultation with us, to the extent that these are necessarily incurred in pursuit of the defect's rectification.

Should the transfer of databases and software fall within the scope of the delivery, the following shall apply:

To the extent that we are reliant upon the transmission or provision of data by third parties, such as vehicle manufacturers, for the creation of databases and software, our liability in this regard is limited to the due care of a prudent businessperson.

We do not accept any liability as regards the quality of the data itself. This also applies in respect of the completeness of the data ceded to us.

So as to avoid major damage or losses through data loss, it is essential that the purchaser carries out regular back-ups. The purchaser must incorporate the original software in the first back-up, and must store this, together with the licence certificate in a secure location.

Anything different to this must be regulated and agreed in separate software licensing and maintenance contracts.

We explicitly draw attention to the fact that the purchaser cannot insist that we take back software, which has been ordered and delivered. In the event of defective software, the purchaser's rights are restricted to the delivery of a replacement.

If we are unsuccessful in remedying a defect (either by repairing it or replacing it with a substitute), the purchaser - without prejudice to any claims for damages – shall be entitled to exercise his statutory rights to withdraw from the contract or to receive a price reduction.

We can refuse to remedy defects without legal prejudice if the purchaser withholds a payment due, which is not commensurate with the defects.

XI. The Purchaser's Right of Rescission

Should the delivery or service incumbent upon us become impossible to fulfil, the purchaser is entitled to rescind the contract. Should only a part of this delivery or service become impossible for us to fulfil, the purchaser is only entitled to rescind the contract if this partial performance is of no benefit to him. Should this inability to render the delivery or service occur during a delay in acceptance, or through the fault of the purchaser, he shall remain under the obligation of counter-performance.

If the performance of our delivery or service falls into arrears and the purchaser, in accordance with the U.K. Civil Code, grants us a reasonable period of grace with the express declaration that he will refuse to accept our performance after the expiry of this period, and should we not adhere to this deadline through our own fault, then the purchaser is entitled to rescind the contract.

XII. Our Right of Rescission due to Unforeseen Events

To the extent that unforeseen events, within the meaning of Item IV.4 of this agreement substantially change the economic significance or content of the services or have a significant effect on our business, we shall have the right to rescind the contract. Should we wish to exercise this right of rescission, we must inform the purchaser of this as soon as we become aware of the consequences of the unforeseen event, even if an extension of the delivery period had initially been agreed with the purchaser. The purchaser shall not be entitled to claim any damages in such an instance.

XIII. Confidentiality

All business or technical information originating from us (including features which may be inferred from any objects or software handed over, and any other knowledge or experience) shall be kept secret from third parties, as long as and to the extent that such information is not demonstrably public knowledge or was intended by us to be sold on through the purchaser. The purchaser may, furthermore, only make this information available to those of his employees, who need to make use of it and who are likewise bound to secrecy. The information shall remain our exclusive property and may not be duplicated or commercially exploited without our prior written consent. At our request, all information originating from us (including, if applicable, any copies taken or any notes or records) and any objects provided on loan, must be returned to us immediately in full, or destroyed.

We reserve all rights to the information mentioned in Item XIII.1 (including copyright and the right to file applications for industrial property rights such as patents, utility models, semiconductor protection etc.).

XIV. Property Rights and Copyright

In the event of any claims arising due to a breach of a third party's industrial property rights or copyright (hereinafter referred to as property rights), we shall not be liable if the property rights are or were owned by the purchaser or by a company in which the purchaser holds, directly or indirectly, a majority of the shares or voting rights.

We are not liable with respect to claims arising due to a breach of property rights, if at least one property right out of the property rights family has been published either by the European Patent Office or in one of the following countries: the Federal Republic of Germany, France, Great Britain, Austria or the USA.

The purchaser must notify us as soon as he becomes aware of any (alleged) breaches of property rights or potential breaches thereof and must cede the management of any legal disputes (including extra-judicial cases) to us at our request, as far as is possible.

We are entitled, at our option, to obtain a licence for the product breaching the property right or to modify it in such a way that it no longer breaches the property right, or to replace it by a similar product which no longer breaches the property right. If we are unable to do this on appropriate terms or in a reasonable period of time, the purchaser – provided that he has facilitated any attempt on our part to modify the product – is entitled to assert his statutory rights of rescission. We are also entitled to rescind the contract, subject to the conditions described above. We reserve the right to take the aforementioned measures at our disposal (under the Clause 1 of Item XIV.4), even if the breach of property right has not yet been legally determined or acknowledged on our part.

The purchaser is not entitled to assert a claim against us if he is responsible for the breach of the property right or does not offer us reasonable support in defending ourselves from third-party claims.

The purchaser is also not entitled to assert a claim against us if the products have been manufactured according to the purchaser's specifications or instructions, or if the (alleged) breach in property right is the result of the products' use in conjunction with another item not originating from us, or if the products have been used in a way which we could not foresee.

Our obligation to pay damages further to any breach of property rights shall otherwise be governed by Item IX.

Items X.1. and X.2. Shall apply mutatis mutandis, with respect to the limitation of claims due to breaches in property rights.

The purchaser may not assert any further claims or any claims, which are not covered by the provisions within this Item (XIV), in connection with a breach in property rights.

XV. General Provisions

In the event than any provision within these terms and conditions or within any further agreements reached is or becomes invalid, then the validity of the remaining provisions shall not be affected. The parties to the contract are obliged to replace the invalid provision by a regulation that comes as close as possible to the former's economic result.

The place of jurisdiction is Leicester U.K. or, at our discretion, the registered office of the industrial facility carrying out the order if the purchaser is a merchant or trader

- a) Has no general domestic place of jurisdiction or
- b) Has moved his domicile or customary place of abode abroad since the contract's conclusion, or if his domicile or customary place of abode is not known at the time that the action is brought.

We are also entitled to have recourse to the court, which has jurisdiction over the registered office or a branch office of the purchaser.

All legal relationships between us and the purchaser shall be exclusively bound by and construed in accordance with the laws of Great Britain, excluding the conflict of law's provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).