

General Terms and Conditions of MICOS USA, LLC

1 General

1.1 In these conditions of sale, "Seller" shall mean MICOS USA, LLC and "Buyer" shall mean any person, firm or company who accepts a quotation of the Seller for the sale of goods or services or whose order for the goods or services are accepted by the Seller.

1.2 All Quotations, products and services provided by MICOS USA, LLC are furnished only on the Terms and Conditions stated in herein. Alternative conditions or changes to the conditions by the Buyer are not accepted, unless expressly agreed on or confirmed in writing by the Seller.

1.3 These conditions of sale also apply for future transactions, even if on certain occasions they may not be attached, provided that the Buyer already concluded agreements with the Seller on the basis of these General Terms and Conditions.

2 Prices and Quotations

2.1 All prices published by the Seller are subject to change without notice. Unless otherwise stated, prices are valid only for sales within the United States. Prices are exclusive of all sales and excise taxes.

2.2 Quotations are subject to confirmation and non-binding.

3 Conditions of Sale

3.1 A purchase order by the Buyer is considered a binding purchase agreement between the Seller and Buyer. Unqualified acceptance of Seller's quotation shall constitute a purchase order.

3.2 Written Order acknowledgement by the Seller is substantial for the order. The commercial invoice respectively the delivery note shall be regarded as order acknowledgement at immediate execution of the order. In case the Buyer raises objections to the content of the order acknowledgement, he has to oppose it without further delay. Otherwise the contract will become effective according to the conditions stated in the order acknowledgement.

3.3 The Seller remains the rightful owner of cost estimates, drawings, sketches and other supplied documents and is exclusively entitled to the copyrighted exploitation rights.

4 Delivery and Shipment

4.1 Delivery is Free on board Irvine, CA (FOB) and includes packaging, unless agreed differently in writing.

4.2 Unless stated as obligatory in the order acknowledgement, delivery times are non-binding. The delivery time starts with receipt of the order acknowledgment at the Buyer, however not before submission of Buyer's documents, authorizations, clearances as well as a down payment possibly agreed upon.

4.3 In case a non-compliance of delivery time is due to Force Majeure, the delivery time extends itself adequately. Force Majeure are circumstances beyond the Seller's reasonable control, which make delivery unreasonably difficult or impossible, e.g. delay in delivery of scheduled suppliers, labor conflicts, administrative measures, essential plant interruptions or serious transport problems. If these conditions last longer than three months, the Seller is entitled to cancel the order. Claim for damage of the Buyer is excluded.

4.4 If the delay in delivery is to be justified by the Seller, the Buyer can only withdraw from the contract if he has set an adequate deadline for completion which has expired. Claims for damage can only be asserted if they are based on deliberate or gross negligence of the Seller.

4.4 Partial deliveries are permitted as far as it is reasonable for the Buyer.

5 Passage of Risk/Consignment

5.1 If the Buyer does not take on the object of contract in due time, the Seller is entitled either to set an adequate deadline to dispose elsewhere after the expiry and to deliver to the customer within adequate period, or to immediately charge the goods to him and to store at expense and on risk of the Buyer. Untouched remains the Seller's right to withdraw from the contract and to assert claim for damage instead of performance.

5.2 At damage or loss of the good in transit the Buyer has to establish the facts of the case with the carrier.

6 Payment

6.1 Quoted prices are based on payment according to the following options (at the choosing of the Seller):

- a) Net 30 days from date of invoice subject to approved credit
- b) Partial or full pre-payment or cash on delivery for orders outside the United States
- c) The Seller reserves the right to require partial or full pre-payment custom product or large orders.
- d) An irrevocable letter of credit from a credible US domiciled bank providing payment on sight 30 days from date of delivery.

6.2 Past due balances shall be charged a service charge of 1% per month or the maximum legal percentage. If the Buyer fails to pay on due date, Seller may delay or cancel delivery of products, choose to repossess the products without notice or avail itself of any available remedy.

6.3 Partial deliveries can be charged separately.

6.4 Checks are accepted only in fulfillment and are regarded as payment only after encashment on the Seller's account.

6.5 The Buyer is only entitled to balancing when his counter-claims are stated finally or particularly appreciated by the Seller.

7 Limitation of Liability and Damage Claims

7.1 The Seller shall not be liable for improper usage of the goods and consequent damage.

7.2 The Seller shall only be liable for firm intention and gross negligence. The Seller shall only be liable for modest negligence when it is a matter of injury of essential contractual duties which arise from the nature of the contract or the injury endangers the attainment of the contract purpose. In this case the compensation for damage is limited to the contract typical, foreseeable damage. Besides this modest negligence compensation entitlements of the Buyer are excluded, regardless for what legal reason.

7.3 Foregoing limitation of liability is not effective for claims from product liability law, at injury of life, body or health.

8 Reservation of Ownership

8.1 Notwithstanding delivery to the Buyer legal and beneficial ownership in the goods shall remain with the Seller until complete payment of all claims arising from previous contracts, including those arising from checks or bills as well as claims from open accounts.

8.2 The Buyer shall be entitled to process the goods in the context of proper business activity at which the Seller has reserved co-ownership unless the Buyer is in delay of payment or has suspended the payments. In case of processing it is agreed that the Seller shall be entitled to a partial co-ownership of the new goods emerging from processing in relation to the invoice value of the goods delivered to the invoice value of the goods resulting from processing.

8.3 The Buyer shall be entitled to sell the reservation goods in the context of proper business activity, unless he delays payment or has stopped payment. He must not put the reservation goods in pawn or transfer them for collateral security.

8.4 For safety reasons claims resulting from resale or other legal reasons regarding reservation goods are assigned from the Buyer completely to the Seller already now.

8.5 The Buyer shall report and object without further delay if reservation goods or other items or claims that the Seller has legal entitlements to are distrained by third parties or other impairments are to be feared. The necessary documents must be attached to the report. Costs arising from such incidents will have to be paid by the Buyer.

9 Returns

9.1 No product may be returned without Seller's written permission, which it may grant on its sole discretion. Credit returns must be in like-new condition and within 30 days of shipment. Returns are subject to a 15 % restocking fee for standard products and up to 100% for custom product.

10 Indemnification

10.1 If any product is manufactured and/or supplied according to Buyer's specification, Buyer assumes all responsibility for, and shall indemnify and hold Seller harmless from any liability resulting from a charge or allegation that such product infringes on any Letters Patent.

11 Warranty

11.1 All products are warranted to be free from defects for a period of one (1) year from date of shipment, unless stated otherwise.

11.2 The Buyer shall examine the goods on arrival and inform the Seller about obvious defects without further delay.

11.3 As far as there is a defect of goods the Seller can justify, the Seller is entitled to either rework by removing the defect or replace the goods.

11.4 No liability is guaranteed for results of natural wear and tear, improper treatment, storage or usage.

11.5 Parts replaced or repaired under the warranty are only warranted for the remaining portion of the original warranty.

11.6 Buyer shall bear freight charges for the return of any products to Seller. Seller will bear return charges of repaired products to Buyer.

12 Place of Jurisdiction and Established Law

12.1 Place of Jurisdiction is California.

12.2 The contract shall be governed in all respects in accordance with the law of the United States and California.