

**for  
Vötsch Industrietechnik GmbH, Balingen, Environmental Simulation  
Vötsch Industrietechnik GmbH, Reiskirchen, Heat Technology**

**(Referred to as “we” or “us” or “our” below)**

The following terms and conditions (“**Standard Conditions**”) shall apply to any contract or agreement (referred to hereinafter as “**this agreement**” or “**the agreement**”) concluded between us as seller and our customer as buyer (hereinafter referred to as “**buyer**”) which expressly refers to such Standard Conditions. We and the buyer may be referred to individually hereunder as “**Party**” or jointly as “**Parties**”.

**1. Applicable Conditions**

All of our deliveries and performances are subject to these Standard Conditions as well as to any other contractual agreements which may have been entered into. The purchasing conditions of the buyer shall not be included in this agreement and the acceptance of orders shall not imply such inclusion.

**2. Offers**

Our offers are subject to change without notice, unless explicitly stated otherwise in writing.

**3. Subject Matter and Scope of Agreement**

3.1 Our written order confirmation shall be decisive for determining the extent of our delivery obligations or in the event of a firm offer made by us, if a timely order confirmation has not been made, shall such firm offer upon binding acceptance be decisive for the determination of the extent of our delivery obligations. Ancillary agreements and alterations must be made in writing.

3.2 Our product information and descriptive material such as illustrations, drawings sketches and measurement descriptions shall not become subject matter of the agreement and are only approximately decisive, unless we have explicitly designated them as binding.

If changes are made to products after submission of an offer as a result of continual technical development, then we shall have the right to deliver the technically modified versions of such products. In doing so, we are entitled to deviations from illustrations, drawings, description, colour, and measurement, weight, quality and other specifications, as long as these are – under consideration of the interests of both parties - reasonably compatible with the mutual interests of the Parties. It is the obligation of the buyer to inform us when submitting an order, if we may by no means deviate from given specification.

3.3 Our specification shall only apply if we expressly designate them as such in the order confirmation.

3.4 Any authorization/approval which may be necessary for the export and the use of the products to be delivered shall be obtained by the buyer at their own expense. If we assist the buyer in any such endeavors then, they shall reimburse us for any expenses which we incur.

3.5 The buyer shall provide at their expense any media which may be necessary for the assembly and use of the products we are to deliver, in a sufficient quantity and in a non-corrosive form.

3.6 In the event that software is included in our delivery, we shall grant the user a non-exclusive right to use such software, including the corresponding documentation. The software is furnished for the purpose of being used on the delivery item for which it was intended. Use of the software on more than one system is not permitted.

The buyer is only authorized to copy, revise, translate or convert the software from object code to source code to the extent permitted by law. The buyer undertakes not to remove or alter any printed manufacturer specification – in particular copyright information – without previously having our express consent. The buyer is authorized to make two back-up copies.

All other rights to the software and the documentation including copies thereof shall remain with us or with the software supplier. Sublicensing is not permitted.

#### **4. Limiting Condition of Export Authorization**

In the event that we are to make a delivery abroad, then the offer and order confirmation are subject to the condition precedent, that any export authorization which may be required is granted by appropriate authorities. Deliveries and services to the buyer that are included in national or international sanction lists, will not be provided by us.

#### **5. Copyright, Confidentiality**

We reserve and retain all copyright and property rights to samples, cost estimates, drawings, models, templates and similar information, whether of physical or non-physical nature including information in electrical form, and

access to such information is not to be granted to third parties. Copies or other duplicates may only be made for the agreed purpose; neither originals nor duplicates may be handed over to third parties or made available in any other way.

We undertake to grant access to third parties to material which the buyer has designated as confidential, only with the buyer's consent.

## **6. Prices**

Unless otherwise stated, prices shall be understood to be ex-works including loading, but exclusive of packaging and other costs. Value Added Tax shall be added to the prices at the respective legally prescribed rate if the delivery is made within Germany.

For performance which has to be completed later than four months after signing the contract, we shall be entitled to charge an appropriate overhead rate on our invoices for wage or material price increase which may have occurred by providing the customers with evidence of such cost increases.

## **7. Payment, Late Payment, Withholding of Payment, Withdrawal**

7.1 Unless otherwise specified, net payment shall be made without deduction of any kind to us, immediately upon receipt of invoice.

7.2 We are in no way obligated to accept bills of exchange. Any bill charges which may arise shall be born by the buyer. If a bill is not honored, all of our accounts receivable with the buyer shall immediately become due.

- 7.3 In the event of late payment, we shall be entitled to charge penalty interest at the rate of 5 % above the base rate of the European Central Bank, at least however 8% on the due amount. The claim regarding other or higher damages by us remains reserved.
- 7.4 The buyer is not entitled to withhold payment or to offset such payment due to counterclaims which are disputed by us.

If, after entering into the agreement, it becomes evident that our right to receive payment is in jeopardy as a result of deficient solvency on the part of the buyer, e.g. if our credit sale insurance refuses to insure the buyer's accounts receivable in the full amount, then we shall have the right to refuse performance and to set an appropriate deadline for the buyer, within which they shall either make contemporaneous payment for any deliveries made or provide suitable collateral security.

In the event that the buyer refuses to meet such demands or that the aforesaid deadline expires without success, we shall be entitled to terminate the agreement and shall have a right to compensation for any damages we may have incurred.

## **8. Delivery Date, Delivery Deadline, Delay in Delivery**

The delivery deadline or delivery date shall only be binding if they are designated as such in our order confirmation.

- 8.1 The delivery time under the agreement shall commence from the time of the dispatch of the order confirmation, but in any case not prior to the end of a reasonable period necessary for such delivery which starts from the receipt of any drawings which required the approval of the buyer, release for

purchasing and procurement documents and paperwork, approval and any necessary information for carrying out the production order, the clarification of any commercial and technical questions between the Parties, as well as the fulfillment of any and all obligations by the buyer, e.g. the performance of a specified down-payment or the making of payment due from earlier deliveries.

- 8.2 In the event that noncompliance with the specified delivery deadline is caused by Force Majeure, labor disputes or other events which we are unable to influence, the delivery deadline shall be extended by an appropriate and reasonable amount. This shall also apply when such circumstances occur at our subcontractors. We shall inform the buyer as soon as possible as to the beginning and end of such circumstances.

We shall not be held responsible for the occurrence or for the consequences of such circumstances as described above, even if these occur during an existing delivery delay.

The delivery deadline or delivery date are deemed to have been met, if on the expiration of such deadline, the delivery items have left our plant or have been notified as ready for shipping. To the extent that an acceptance of the goods has to take place, then – except in cases of justified rejection of the goods – the date of the acceptance procedure is decisive, or alternatively the notification that goods are ready for acceptance.

- 8.3 Our obligation to comply with the delivery deadline is subject to punctual and correct delivery by our own suppliers.
- 8.4 The buyer shall be entitled to terminate the agreement immediately by written notice if we have informed them that performance in its entirety

becomes finally and conclusively impossible for us, prior to passage of risk. In addition, the buyer shall also be entitled to terminate the agreement by written notice, if in the course of performing an order, the fulfillment of a part of a delivery becomes impossible and the buyer has a vital interest to refuse a partial delivery. If this is not the case, the buyer shall be obliged to pay the percentage of the agreement price which corresponds to the partial delivery.

- 8.5 In the event that we are delayed with our delivery and such delay causes damage to the buyer as proven by the buyer, the buyer shall be entitled to a lump sum compensation for such damages suffered due to the aforesaid delay in delivery. The lump sum payment shall amount to 0.5% of the value of the part of the delivery which could not be used by the buyer on time or as stipulated by the agreement as a result of the delivery delay, per full week of delay; such payment shall however, not exceed, in total, 5% of the value of the delayed part of the delivery.

If we are delayed with our delivery – subject to legal exceptions – and the buyer grants us a reasonable extension of our delivery deadline, and we fail to comply with this deadline, the buyer is entitled to terminate the agreement within the confines of applicable legal regulations.

Other rights which arise due to delay in delivery shall be determined exclusively by Article 12.2 of these Standard Conditions.

- 8.6 If shipping or acceptance of the delivery items is delayed for reasons for which the buyer is responsible, we shall be authorized to charge the buyer for expenses we have incurred, beginning one month after notification that the goods are ready for shipment or that they are ready for acceptance, or for a minimum of 0.5% of the invoice amount per month. At the same time, all deliveries and performances made by us up to that point shall become due for payment.

We shall, however, after setting an appropriate deadline for the buyer to perform their obligation to take shipment or acceptance and after the expiration of such deadline, be authorized to otherwise dispose of the delivery items and to reschedule delivery to the buyer within a new and appropriate deadline.

8.7 Partial deliveries shall be permissible to the extent that they are reasonable.

**9. Receipt, Acceptance, Passage of Risk, Default in Acceptance**

9.1 At the very latest, risk of damages to or losses of the goods passes to the buyer when the delivery items leave our plant, including cases where partial deliveries are made or where we have agreed to other performance including but not limited to assuming responsibility for the costs of shipping, delivery and installation. To the extent that a formal acceptance has to take place, the acceptance date shall be decisive in determining the passage of risk. Acceptance must be carried out promptly on the acceptance date or alternatively promptly after our notification of readiness for acceptance. The buyer shall not be entitled to refuse acceptance of the delivery items if only minor quality defects are found.

We are entitled to insure all deliveries against transport damage at the buyer's expense.

In the event that transport damage to a delivery is discovered upon arrival at the buyer's premises, or if such damage becomes evident later, the buyer is obliged to immediately demand a written explanatory report from the carrier.

9.2 If shipping and/or acceptance of the delivery items is delayed or does not take place, due to circumstances which we cannot be responsible for, the

risk passes to the buyer as of the day of the notification of readiness to ship or as of the day of the willingness of the buyer to accept the delivery items. We undertake to take the insurance policy which the buyer requests at the buyer's expense.

9.3 In the event that we damage material delivered to us by the buyer or render such material unworkable, in particular in the course of carrying out processing or repair work, we shall only be liable if the damage was caused by gross negligence, however such liability shall be restricted to an amount of 10% of the value of the processing work, provided that no legally prescribed regulations dictate unlimited liability.

9.4 We insure customers' material which is stored at our premises against fire, at our own expense. If the buyer desires any further insurance policies to be taken out at their expense, it is their obligation to request these in writing.

## **10. Retention of Ownership**

10.1 We reverse the right of ownership, and the right of disposition to the delivery items until such time as all payments from the agreement and any previous transactions have been received, this includes accounts receivable from checks and bills of exchange as well as those from current accounts. The buyer must cooperate with us with respect to all actions we may reasonably request to be undertaken in order to protect our title with respect to the goods delivered subject to reservation of title. Should a liability related to payment by bill of exchange accrue to us in the course of the buyer's payment, this shall in no way eliminate our retention to ownership before the responsibility of us being invoked for the bill of exchange is excluded.

Prior to the full and complete settlement of our aforesaid accounts receivable, the buyer shall be entitled to continue using the delivered

products in the proper course of their ordinary business, which right shall however not apply if buyer has entered into any agreement with third parties prohibiting the assignment of account receivable as stipulated under Article 10.4 to us. Prior to full and complete settlement, pledging and assignment as security shall be prohibited and resale shall only be permitted for resellers in the course of their usual business, under the condition that the reseller receives payment from their customers and forwards it to us immediately. Any intervention expenses which may arise are to be born by the buyer.

- 10.2 In the case of attachments, confiscation or other dispositions and interference of the goods we delivered by third parties, the buyer is obliged to notify us immediately.
- 10.3 In the event of behavior of the buyer which violates the agreement, in particular in the event of delayed payment, we shall be entitled, after issuing appropriate payment reminder, to reclaim the delivery items and buyer shall be obligated to relinquish these.
- 10.4 The buyer assigns all accounts receivable up to the proportionate amount of our invoice to us at this point, including sales tax/VAT with all ancillary rights, which they accumulate through resale to customers or third parties. This shall also apply in cases where the buyer has placed the purchase money claim which has accrued to them through resale into a current account arranged with a customer or third party. We will accept the assignment. Upon our request, the buyer shall take all measures necessary so as to make such assignment effective, including but not limited to notify their customers or third party obligors on such assignment.
- 10.5 In the event that goods delivered by us, due to buyer's act, become connected with real estate or moveable property belonging to third parties or with processing within the framework of a contract for work and services, the

buyer at this point shall be deemed as having assigned to us the receivables for work compensation (including receivables for related taxes) and/or the resulting share of co-ownership. Upon our request, the buyer shall take all measures necessary so as to make such assignment effective, including but not limited to notify their third party obligors on such assignment.

- 10.6 The buyer is hereby authorized to independently collect the preceding accounts receivable which have been assigned, within the framework of their usual order of business, provided that the collected proceeds are promptly forwarded to us.

Such authorization to collect the assigned accounts receivable shall be revoked in the event of delayed payment, the petition for out of court insolvency proceedings or in the case of protest of a check or bill of exchange.

- 10.7 To the extent that the delivery items have become essential components or immovable fixtures of real property, the buyer undertakes, in the event of noncompliance with the agreed payment deadlines, to allow us to dismantle or dismount such objects as can be removed without causing a substantial impediment to structure, so as retake possession of the objects. If the buyer interferes with our aforesaid rights, they shall be obligated to compensate us for any resulting damages. The expenses for dismantling, dismounting or other expenses which arise are to be born by the buyer.

- 10.8 If the realizable value of the collateral securities which have been reversed for us, either solely for the purpose of this retention of ownership clause or together with any other collateral, exceeds our secured claims by more than 10%, we shall be obligated to release collateral of our choice to the same extent, if the buyer thus demands.

- 10.9 We are entitled to insure the delivery items against theft, fire, water and other damage at the expenses of the buyer, unless the buyer can provide evidence of already having done so themselves and have duly notified us in writing in advance.
- 10.10 In the event of behavior on the part of the buyer which violates the agreement, in particular in the event of delayed payment, we shall be entitled to repossess the delivery items after an appropriate reminder process and the buyer shall be obligated to return the goods.
- 10.11 The filling of a petition for insolvency proceedings by the buyer shall entitle us to terminate the agreement and to demand the immediate return of the delivery items.

## **11. Liability for Deficiencies of the Delivered Goods (Warranty)**

With regard to quality defects and deficiencies in title of deliveries, we provide, to the exclusion of any further claims and subject to Article 12, the following warranty:

### Quality Defects

- 11.1 All those parts which prove to be defective due to circumstances or causes which occurred prior to passage of risk are, at our option, either to be reworked at no charge or replaced. The detection of any such defects is to be reported in writing to us immediately. Defective parts which are replaced shall become our property.
- 11.2 For the carrying out of all reworking or substitute deliveries which we deem necessary, the buyer is to grant us upon notifying us of the problem, the time

and opportunity required to remedy the problem, otherwise we shall be released from any liability for resulting consequences. The buyer shall only have the right to remedy the defects themselves or to have them remedied by third parties and subsequently demand compensation from us for the necessary expenses in urgent cases, where operational safety is at risk, or, in order to prevent extraordinarily large losses or damage from occurring, whereby we are to be notified immediately in such cases.

11.3 Of the direct costs which arise as a result of the reworking or substitute delivery, we shall bear – provided that the complaint proves to be justified – the cost of the substitute parts, including shipping at DAF terms (delivered at frontier, Incoterms 2000) , as well as reasonable costs for installation, disassembly and removal, and, within Germany, if desired, and if the circumstance of individual cases make it more economical, the provision of our fitters and support personnel. In all other cases the buyer shall bear such costs. Defective parts which are replaced shall become our property.

11.4 The buyer shall have the right, within the scope of the law, to terminate the agreement, if we – subject to legal exceptions – allow an appropriate deadline, which has been granted to us for the reworking or replacement of defective parts, to expire without providing the satisfactory result agreed upon between the Parties.

11.5 For the following cases in particular, no warranty shall apply:

Improper use or use other than intended use, faulty assembly or commissioning by the buyer or third parties, normal wear, faulty or negligent treatment, improper maintenance, use of unsuitable operating material, inadequate housing, deficient building surface, electrochemical or electrical influences, provided that we are not responsible for such conditions.

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- 11.6 If the buyer or a third party carries out repair or overhaul work in improper manner, we shall not be liable for any resulting consequences. The same shall apply for any alterations which are made to the delivery items without the prior consent of us.
- 11.7 If parts or materials are delivered by the buyer for the purpose of processing or providing materials which are necessary for the completion of a job order, then, unless otherwise agreed upon, there should be no incoming goods inspection for non-obvious defects for such parts or material.
- 11.8 If computer software is to be included within the scope of our performance, then the following shall apply additionally:
- a) A warranty shall apply that the delivered software does not contain any reproducible errors. The proper and intended use as specified in the agreement, however, is a condition of the warranty.
  - b) The buyer has to notify us immediately if program errors are discovered.
  - c) Reported errors are to be remedied by us. If the correction of an error proves to be impossible, then we will have to develop an alternative solution to the problem.
  - d) If we are unable to fulfil our obligations under above c), the buyer shall then have the option of accepting an appropriate reduction of the payment agreed upon (to include that for equipment of which use is significantly impaired, due to the program error) or the termination of the agreement.
  - e) No warranty shall apply that the delivered software meets the special requirements of the buyer.

**Deficiencies in Title**

11.9 Should the use of the delivery items lead to a breach of industrial property rights or copyrights, we will, in principle, secure at our expense the right for the buyer to continue using the delivery items, or, we will modify the delivery items in a manner which is reasonable for the buyer and which eliminates the breach of property rights.

If this is not possible to be done under economically suitable conditions or within a suitable period of time, the buyer is entitled to terminate the agreement. We shall also be entitled to propose a termination of the agreement in such a case.

Moreover, we shall indemnify the buyer against any undisputed claims of the respective owner of the property right or against such claims which are pronounced and granted through due process of law.

11.10 Our obligations pursuant to Article 11.9, in the event of breach of property rights and copyrights are ultimately subject to Article 12 below.

Such obligations shall only exist if:

- the buyer notifies us immediately about asserted breaches of property rights or copyrights,
- the buyer provides us with reasonable support in our efforts to defend against any asserted claims or allows us to carry out the modification measures pursuant to Article 11.9,
- all defensive measures, including out of court settlements, are left open to us as options,

- the deficiency in title does not stem from an instruction given by the buyer, and
- the breach of rights was not caused by the buyer modifying the delivery items on their own or using them in a manner not authorized by the agreement.

## **12. Liability**

12.1 If, due to our fault, the delivery items cannot be used by the buyer as specified in the agreement, as a result of our failure to implement or failure to properly implement suggestions or advice made by the buyer or our violation of any other subordinate contractual obligations, in particular the obligation to provide instructions for the use and maintenance of the delivery items, then the provisions stipulated in Articles 11 and 12.2 shall respectively apply, to the exclusion of any further claims of the buyer.

12.2 For damage which has not occurred to the delivery items themselves, we shall, for whatever legal reasons may apply, only be liable:

- in the case of property losses of the buyer due to our intentional act or gross negligence
- in the case of personal injuries on the buyer's side

Any other claims are excluded.

## **13. Our Claims for Damage Compensation in the Event of Non-performance on the Part of the Buyer**

In the event that we are entitled to demand compensation for damages due to non-performance, the lump-sum damages to be compensated are to amount to at least 20% of the price agreed upon, without sales tax/VAT. The amount of compensation is to be increased if we can provide evidence of larger damages and correspondingly to be decreased if the buyer can provide evidence of smaller damages.

#### **14. Assembly, Commissioning**

To the extent that assembly and/or commissioning are to be included within the scope of our performance, the following supplementary conditions shall apply:

##### **14.1 Price**

Unless otherwise agreed upon, performance has to be compensated according to the amount of time needed, using our current rates for assembly. Additional payment shall be made for material expenses, as well as for travel expenses for our personnel, transport expenses, customs, custom's charges, transport insurance for luggage and tools, expenses for the procurement of identification documents as well as for other out-of-pocket expenses such as telephone charges etc.

##### **14.2 Invoicing**

The buyer is obliged to certify the working, travelling and waiting time required by the assembly personnel, as well as their work output, on the assembly personnel. If the buyer refuses certification, or if for some other reason it is not possible for our personnel to obtain the certification, invoicing shall be carried out on the basis of assembly registration forms filled out by our personnel.

All secondary jobs (for example masonry, mortising, plastering, carpentry, electrical wiring and connections, ground work and painting) are not included in the offer unless they are listed in separate posts with their corresponding quantities and prices. Work services which we carry out and which are not included in the original job order, have to be compensated in addition to the services included in the original job order, at our respective cost rates. The same shall apply for additional costs which we incur when, for reasons which we are not responsible for, our work services are interrupted.

#### 14.3 Assistance by the Buyer

The buyer is obligated, at their own expense, to provide assistance during the carrying out of the work services. In particular, they are obligated to:

- a) provide the necessary amount of suitable auxiliary personnel (masons, carpenters, fitters and other craftsmen and technicians) at the time when they are needed for the assembly work,
- b) conduct all ground, construction, bedding and framing and scaffolding work, including the acquisition of building materials, the placing of power and cooling water connections and drains, the setting up of sanitary facilities, electrical wiring, masonry and carpentry work, in a timely manner,
- c) prepare the necessary paths and for the delivery of assembly parts and suitable approach ways for cranes,
- d) prior to the beginning of assembly work, provide the necessary information pertaining to covered electricity cables and gas and water pipes or other similar installations, as well as needed information about the structural statics, without being asked,

- e) provide heating, lighting, energy and water, including any necessary connections,
- f) provide all required dry, lockable and theft-proof rooms for the storage of tools and for use as utility rooms for assembly personnel,
- g) safeguard the assembly site and materials from damaging influences of any and all kinds,
- h) point out any hazards (e.g. fire hazards in rooms or for materials) which could arise in connection with cutting, welding, thawing and soldering and take any necessary precautionary measures (for example the posting of fire guards, provision of fire extinguishing equipment and material etc.),
- i) provide suitable or protective clothing in the case of difficult or complicated working conditions like the presence of harmful vapours, gases, acids, dust particles etc. The same shall apply to protective clothing and protective equipment which are required due to special circumstances at the assembly site and which are not typical for our industry; and to advise any staff involved in assembly to comply with relevant safety regulations applicable to the assembly,
- j) immediately provide any necessary medical care should one of our assembly personnel become ill or suffer an accident, and notify us immediately and
- k) acquire any required visas and work permits for the assembly personnel, in the event that the assembly site is located outside the People's Republic of China, promptly procure any prerequisite authorization from public authorities or any other permission which may be required for the

carrying out of the work or setting up of equipment or installations, inform our assembly personnel as to all obligations (reports etc.) to local authorities and to assist them in acquiring any needed permits which would guarantee them mobility in the country or to return home at any time in the possession of their property.

#### 14.4 Acceptance

With regard to equipment we assembled, the buyer is obligated to inspect and accept the equipment and our assembly work as soon as they have been notified of its completion. The equipment and assembly work shall be considered as accepted after a successful trial commissioning, even if the buyer did not, despite the request of our personnel, take part therein.

Upon request, individually completed phases of the total work service performance are to be specially accepted. If the equipment has been entirely or partially put into use or if the inspection and acceptance has been delayed through no fault of ours then the acceptance is to be deemed as concluded after a period of two weeks subsequent to notification of completed assembly.

The use of the equipment prior to acceptance may only take place with our express consent, in which case, parts which have already been installed in equipment including the respective partial assembly work are to be considered as already accepted.

#### 15. Time Limitation of Claims

All claims of the buyer-whatever legal principles they may be based upon- shall be subject to legal statutes of limitations.

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**16. Legal Validity of the Agreement**

The agreement shall remain binding and effective even in case of legal invalidity of single provisions of the Standard Conditions.

This shall not apply in cases where such invalidity makes it impossible for a Party to further perform the agreement.

If a clause is entirely or partially invalid, the Parties shall immediately make all efforts to achieve the economic outcome which was the intent of the invalid clause, in another legally feasible manner.

**17. Jurisdiction, Applicable Law**

Any disputes or claims arising from the execution of or in connection with these Standard Conditions or any agreements based on these Standard Conditions, or agreements in which these Standard Conditions have been incorporated, shall be solved by friendly consultation between both Parties. If the dispute hasn't been solved by friendly consultation between both Parties in 60 days after its occurrence, the dispute shall exclusively and finally be settled by Frankfurt International Arbitration Center ("FIAC") and arbitrated in accordance with the arbitration rules of the Frankfurt Chamber of Commerce in effect at the time of applying for arbitration. The place of arbitration shall be Frankfurt am Main. The decision of arbitration is final and binding to both Parties. The costs of the arbitration shall be borne by the Party or the Parties as designated in the arbitration award. In the process of arbitration, the Parties shall continue to exercise their respective rights and fulfil their respective obligations except insofar as rights and obligations in relation to the dispute are concerned. The arbitration tribunal shall consist of three arbitrators, appointed in accordance with the arbitration rules of the FIAC.

The relevant laws of Germany shall exclusively apply to legal relations between us and the buyer. The language of the arbitral proceedings is English.