

GENERAL TERMS AND CONDITIONS

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of the private company Cito Benelux bv, having its registered office at Zevenaer, the Netherlands, Hengelder no. 56, and of its operating companies: the private company Phoenix Contact bv and Rittal bv both having their registered office at Zevenaer, Hengelder no. 56, hereinafter to be referred to as "Cito Benelux", in force as of January 1, 2004,

Article 1 General Provisions

1. Cito Benelux bv, Phoenix Contact bv and Rittal bv shall below be jointly referred to as "Cito Benelux". Cito Benelux engages in the trade, modification and assembly of technical and industrial products and advisory services relating to these products. In addition, Cito Benelux supplies software packages.
2. As of January 1, 2004 all general terms prevailing so far have been cancelled.

Article 2 Definitions

1. Parties:
 - Client: any natural person or legal entity that has given the order for the work to be performed whilst duly observing these terms;
 - Cito Benelux: the legal entity that provides goods and services on the client's instructions whilst duly observing these terms.
2. Terms: These general terms.

Article 3 Applicability of these terms

1. These terms shall apply to any legal relationship existing with Cito Benelux. These terms shall apply to offers made by Cito Benelux, orders accepted by Cito Benelux and agreements concluded with Cito Benelux unless explicitly stated otherwise.
2. By giving its consent or placing the order, the client shall be deemed to have accepted these terms.

Article 4 Alterations

Alterations in the agreement and deviations from these general terms shall be in force only if they have been agreed between Cito Benelux and the client in writing. Where alterations are communicated in any other manner, the client shall bear the risk of implementing the alteration.

Article 5 Offers

1. Cito Benelux' offers shall be without any engagement and be based on prices and specifications prevailing at the time the offer is made. The offers are based on delivery under normal circumstances and during normal business hours.
2. If the client accepts an offer, Cito Benelux reserves the right to revoke the offer within five working days after receipt of such acceptance.

Article 6 Agreement

1. Each agreement shall be entered into subject to the condition precedent that the client appears to be sufficiently creditworthy based on information to be collected by Cito Benelux.
2. Orders given to employees of Cito Benelux are binding on the client.
3. Cito Benelux shall at any time have the right to cause third parties to perform an order placed in its entirety or in part.
4. Agreements concluded with employees of Cito Benelux shall bind the latter only after its written acceptance.

Article 7 Terms and times of delivery

1. Times of delivery shall only be given by approximation and shall commence on the date Cito Benelux accepted the order.
2. Cito Benelux shall be bound to do all things reasonably possible to observe the agreed times of delivery.
3. If any delay should be the result of an alteration of working conditions prevailing at the time the agreement was concluded, the time of delivery shall be extended in such manner as will be reasonable – whilst taking all circumstances into consideration – without prejudice to the invocation of Article 8.
4. In the event the time of delivery specified in the offer is exceeded by more than two months, the client may cancel the agreement without being entitled to damages. The client must indicate in a registered letter addressed to Cito Benelux that it wishes to make use of the right to cancel the agreement as set forth in these terms.

Article 8 Force majeure

1. If Cito Benelux should, through circumstances beyond its control of a permanent or temporary nature, be prevented from performing the agreement, Cito Benelux is entitled, without being obliged to pay damages and without prejudicing any other rights it may have, to consider the agreement as being dissolved without

any intervention of the court being required, or to suspend further performance of the agreement.

2. In the event that the suspension has continued for a period in excess of six months, the agreement is as yet dissolved.
3. Force majeure as referred to in this Article occurs if Cito Benelux, due to any circumstance, cannot reasonably be expected to fulfil its obligations any longer, even if such circumstance was foreseeable at the time the agreement was concluded. Circumstances of force majeure are at any rate: riots, war or impending war, natural disasters, transportation problems, bans on import, export or transit, industrial action of Cito Benelux staff or staff of Cito Benelux' suppliers, as well as in the event that any supplier fails to perform or fails to perform properly or in due time.
4. In all instances the client shall be obliged to pay to Cito Benelux the purchase price and any delivery costs of the goods delivered to client in accordance with the provisions set forth in Article 11.

Article 9 Delivery

1. Delivery within the Netherlands shall be carriage paid, unless explicitly indicated otherwise.
2. If any part of an order is completed, Cito Benelux may, at its discretion, either deliver such part or wait until the entire order is completed. When partial delivery takes place, an invoice shall be sent in respect of such partial delivery, which must be paid within the payment term referred to in Article 11 below. The client shall not be permitted to postpone payment until the entire delivery has taken place.
3. Cito Benelux shall at all times be free to choose the means of transport. In the event of carriage paid, delivery shall take place at a location where normal delivery is possible given the means of transport chosen by Cito Benelux. The client shall be under the obligation to take delivery of the goods at such location.
4. The products shall be considered to have been delivered as soon as the client has taken delivery of them or as of the time Cito Benelux notified the client that the products are available to the client.
5. As of the time as referred to above under paragraph 4, the goods shall be at the client's full risk.
6. If the client should fail to take delivery of the goods, the client shall be in default. Cito Benelux shall then have the right to sell the goods to a third party, without prejudicing its right to damages.

Article 10 Prices

1. All prices shall be exclusive of Dutch VAT.
2. Prices are inclusive of any packaging, transport and forwarding costs, as well as insurance during transport.
3. If any price increases should occur in the period between the conclusion of the agreement and the delivery of the products, Cito Benelux shall have the right to charge the client a proportional increase of the purchase price.
4. Payment of an additional price, if any, based on the provisions set forth in this Article must be made at the same time that payment of the principal sum is made.

Article 11 Payment

1. Payment must be made within thirty days net after the date of invoice into an account number to be indicated by Cito Benelux.
2. At all times, Cito Benelux shall have the right to demand cash payment in advance or upon delivery of the goods.
3. In the event that payment is overdue, 1% interest on the overdue amount shall be payable as of the due date of the invoice, whereby each part of a month shall be considered a full month, and without any warning and/or notice of default being required.
4. Where the client fails to fulfil its payment obligations, Cito Benelux shall also be authorized to cancel the non-performed part of the agreement without warning or notice of default being required, without prejudicing its right to damages.
5. The Client shall be obliged to pay any and all costs, both in and out of court, connected with the collection of any sum due, such as attachment costs, legal costs, costs for the filing of a bankruptcy petition and extra-judicial collecting costs. The extra-judicial collecting costs shall amount to 15% of the principal sum receivable by Cito Benelux with a minimum of € 1,000.00.
6. Cito Benelux has the right to demand at any time that the client provides additional security for the fulfilment of its obligations. Failure to do so after Cito Benelux' written demand shall entitle Cito Benelux to claim forthwith the purchase price payable or to dissolve the agreement without any intervention of the court being required and without prejudicing Cito Benelux' right to compensation of damage, costs and interests.
7. Cito Benelux has the right to determine to which debts the payments shall be allotted, but at any rate payments shall first and foremost be regarded as pay-

ment of interest, and of the costs incurred by Cito Benelux if and insofar as this would be required.

Article 12 Retention of title

1. Goods delivered by Cito Benelux shall remain property of Cito Benelux until the date of payment in full (inclusive of any interest and/or costs payable).
2. If the client should fail to fulfil its obligations or there is reasonable fear that such failure should occur, Cito Benelux shall be entitled to remove, or cause to be removed, the goods delivered subject to retention of title from the premises of the client or of any third party holding the goods on behalf of the client. The other party shall be under the obligation to fully cooperate for this purpose on pain of a penalty amounting to 10% of the amount payable by it per day.
3. For as long as Cito Benelux shall remain the owner of the goods under the provisions of the previous paragraphs, the client shall be under the obligation to cause such goods to be insured against fire, theft, claims by third parties and its own risk satisfactorily and at its own expense. The client shall be under the obligation to transfer title in its rights under such insurance to Cito Benelux. At Cito Benelux' first demand the client shall state to Cito Benelux the name of the insurer involved and the insurance conditions.
4. The client shall be under the obligation to notify Cito Benelux in writing if third parties should want to create or enforce any rights to the goods delivered subject to retention of title.
5. In the event the client resells non-paid or partially paid goods, the client hereby transfers its claim on client's buyer (the second buyer) arising due to such reselling to Cito Benelux, which transfer shall then be regarded as (partial) payment. The client shall be obliged to pass on to Cito Benelux the relevant data at Cito Benelux's first demand, so that Cito Benelux may claim the amounts payable directly from the second buyer. The client shall deduct the payment made by the second buyer to Cito Benelux from the total amounts payable to Cito Benelux. The client shall also be obliged to impose, upon resale, the same retention of title, as the one set forth in this provision.
6. The client shall not be authorized to pledge the goods or to create any other right in respect thereof.

Article 13 Complaints/Guarantee

1. Complaints from the client shall be understood to mean serious complaints by the client about the goods and/or services provided. Complaints shall not be understood to mean minor deviations in quality, quantity and deviations that are considered acceptable in this line of business.
2. Complaints must be submitted in writing by no later than eight days after the date of the relevant invoice forwarded by Cito Benelux, in default whereof the client has forfeited its right. In the event of a hidden defect the complaint must be submitted within eight days after the time of discovery or within eight days after the time at which the defect could/should reasonably have been discovered. In such case the client must prove that it is a hidden defect that could not have been discovered within eight days after receipt. Complaints submitted later than one year after the date of invoice shall never be accepted.
3. If the complaint is justified, Cito Benelux shall deliver the goods again, insofar possible. In the event of an accepted complaint, Cito Benelux reserves the right to take back the goods and to refrain from further deliveries against repayment of the purchase price, or to demand the client to keep the goods at a reduced price. Cito Benelux may also resolve to re-deliver, free of charge.
4. Each further right to damages in this case shall be excluded. Cito Benelux' liability vis-à-vis the client shall be limited to the liability arising under the guarantee provided in paragraph 3. Cito Benelux shall in no event be liable for any damage, whether direct or indirect, arising as a consequence of the use of goods supplied by Cito Benelux unless it occurred due to wilful intention or gross negligence, except for mandatory legal provisions regarding liability whether product liability or otherwise.
5. Complaints shall never be grounds for dissolving the agreement and/or suspension of the payment obligation.

Article 14 Liability

1. Cito Benelux shall never be liable vis-à-vis the client for any costs, damage and interest which may occur in respect of the client or third parties as a direct or indirect consequence of acts or omissions on the part of Cito Benelux, persons employed by Cito Benelux or third parties involved by Cito Benelux, or of things or goods – whether or not under the supervision of Cito Benelux – supplied by Cito Benelux, even if these were due to any wrongful act.
2. Any claim on account of consequential loss or trading loss shall be excluded. At any rate Cito Benelux shall not be liable for any damage inflicted or caused by faulty use of the goods supplied nor for their unsuitability for the purpose for which the client purchased them.
3. The client shall indemnify Cito Benelux for any liability vis-à-vis third parties arising, whether directly or indirectly, from the presence and/or use of the goods

and/or services supplied by Cito Benelux. Cito Benelux' liability under any agreement shall in all instances be limited to, at most, the amount involved in the performance of the entire agreement that is specified as such in the confirmation of order.

Article 15 Supply of software

1. If Cito Benelux should supply software to the client (consisting of CD ROM's or other data carriers, or updates [updated versions or new releases]) the following supplementary provisions shall apply. These provisions do not in any way affect the other provisions.
2. Cito Benelux shall supply to the client software produced by a third party (hereinafter referred to as "the producer"). Cito Benelux may assist with installing such software and may provide supervision and training to the client's staff.
3. The client shall not be permitted to make copies of or transfer title or use of the software received to third parties.
4. Cito Benelux shall not be liable for any errors in the software supplied by the producer.
5. Any and all rights of intellectual or industrial property shall vest in the producer. The client shall only be granted a right to use the same.
6. In the event of an installation order the client shall provide Cito Benelux in due time with all data useful and necessary for the proper performance of the agreement. The client shall also ensure that the hardware, cables and the like required for the installation shall be purchased.
7. If supervision is required, Cito Benelux shall provide the client with support either by telephone or in writing regarding questions about the use of the software ordered and delivered, and assist in the event of the software's malfunctioning. Such support shall be provided on customary working days in the Netherlands from 08.30 to 17.00 hours.
8. Cito Benelux shall not be liable for any errors in the software delivered nor for the development of such software. Cito Benelux' liability shall be limited to the liability specified in Article 14 of these general terms.

Article 16 Dissolution

1. Without prejudicing the provisions set forth in Article 11, the agreement shall be dissolved without any intervention of the court or notice of default being required, on the date that the client is adjudicated bankrupt, files a petition for temporary suspension or following attachment, because a receiver has been appointed in respect of it, or it should lose the authority to dispose over its property or any parts thereof in any other manner.
2. Following the dissolution the reciprocal claims shall be due for immediate payment. The client shall be liable for the damage suffered by Cito Benelux.

Article 17 Applicable law

The law of the Netherlands shall govern any agreement between Cito Benelux and the client.

Article 18 Nullity

1. If the court should order the nullity of any term of these general terms, this shall not bar the validity of any other term.
2. If Cito Benelux does not always require the strict compliance with its general terms, this does not imply that Cito Benelux waives its rights to require strict compliance in any other instance.

Article 19 Disputes

Any disputes, including those regarded as such by one party only, which may arise under an agreement that is governed by these general terms in full or in part, or arising under further agreements that are the result of any such agreement, shall be settled by the competent court in the district of Arnhem, except for the parties' authority to apply for preliminary relief in preliminary relief proceedings.