

International Purchasing Conditions for Suppliers not Resident in Germany

I. Application of the International Purchasing Conditions

1. These International Purchasing Conditions apply to all suppliers to SYNFFLEX Elektro GmbH - hereinafter referred to as SYNFFLEX - whose relevant place of business is **not in Germany**. For suppliers whose place of business is in Germany, the General Purchasing Conditions (Allgemeine Einkaufsbedingungen) of SYNFFLEX apply, which will be forwarded on request. In each case, the relevant place of business is the one which concludes the contract in its own name.
2. These International Purchasing Conditions apply to the present and all subsequent contracts whose preponderant object is the **delivery of goods and/or software** to SYNFFLEX. Additional obligations assumed by the supplier do not affect the application of these International Purchasing Conditions.
3. Conflicting or differing **terms of business of the supplier** do not bind SYNFFLEX, even if SYNFFLEX does not explicitly object to them or even if irrespective of the supplier's conflicting or differing terms of business SYNFFLEX unconditionally renders performance or accepts the supplier's performance. The provisions of this paragraph equally apply insofar as the terms of business of the supplier, irrespective of the contents of these International Purchasing Conditions, deviate from statutory provisions.

II. Formation of the Contract

1. The supplier is under an obligation to give **written notice to SYNFFLEX** prior to the formation of the contract if the goods to be delivered are not fit without restrictions for the purpose made known to the supplier or for the purpose provided in the contract or if assertions made by third parties or itself in adverts, prospectuses or other public announcements whether in or outside Germany of which the supplier is or ought to have been aware cannot in each and every respect be complied with, if particular safety provisions are to be observed when dealing with the goods to be delivered, or, if a risk to health, safety or the environment is associated with the goods to be delivered.
2. If the supplier's offer deviates from the inquiry or order submitted by SYNFFLEX, the supplier will emphasize the **differences** as such. Pictures and drawings accompanying the supplier's offer, as well as details of amounts, size and weight in the supplier's offer are conclusive and binding.
3. All orders, in particular also those placed by employees of SYNFFLEX, will **take effect exclusively if followed by a written order confirmation** by SYNFFLEX. The actual taking delivery of the goods, the payment for such goods or any other conduct of SYNFFLEX or silence on the part of SYNFFLEX does not allow the supplier to assume the formation of the contract. SYNFFLEX can dispatch such written order confirmation up to and including **14 calendar days after** the supplier's offer has been received by SYNFFLEX. Until this time, the supplier's order is irrevocable.
4. The written **order confirmation** by SYNFFLEX shall be **received in time**, if it is received by the supplier within 14 calendar days after its date of printing. The supplier will inform SYNFFLEX without delay, if the written order confirmation is received with a delay.

5. The written order confirmation by SYNFFLEX sets out all the **terms of the contract** and brings the contract into effect even if - except for the purchase price and the quantity to be delivered - the written order confirmation deviates from the declarations of the supplier in any other way, especially with reference to the exclusive application of these International Purchasing Conditions. Regardless of the nature and extent of the deviations, the contract will only fail to come into existence if the **supplier objects to and specifies the deviations in writing** and the objection is received by SYNFFLEX within a short time, at the latest seven calendar days, after receipt of the written order confirmation by the supplier.
6. Any restriction on SYNFFLEX's legal rights or on the rights granted by these International Purchasing Conditions, namely any limitation to or any exclusion of statutory remedies, guarantees, warranties or assurances by the supplier in relation to the goods or the execution of the contract as well as method and extent of examinations and acceptance tests to be done by SYNFFLEX require **express written confirmation** by SYNFFLEX in every case.
7. Order confirmations produced by the supplier are of **no effect** without any objection by SYNFFLEX being necessary. In particular, neither the actual taking delivery of the goods, the payment for such goods or any other conduct of SYNFFLEX or silence on the part of SYNFFLEX shall give rise to any belief by the supplier in the relevance of its order confirmation.
8. SYNFFLEX's **employees**, commercial agents or other sales intermediaries are not authorized to dispense with the requirement of a written order confirmation by SYNFFLEX or to make promises which differ from its content. **Changes** to the concluded contract likewise require written confirmation by SYNFFLEX.
9. Against reimbursement of the supplier's reasonable expenses caused thereby, SYNFFLEX after formation of the contract is entitled to **change** the order for the goods to be delivered or to **cancel** part of the contract already made. In the case of a partial cancellation the supplier is also to be reimbursed for that part of its profit lost by the cancellation.

III. Obligations of the Supplier

1. The supplier shall fulfil all the duties imposed by the contract, by these International Purchasing Conditions and by statutory provisions in due time, and in particular shall **deliver the goods** referred to in the written order confirmation by SYNFFLEX. Guarantees, warranties and assurances given by the supplier are to be honoured, without these having to be confirmed in writing.
2. The supplier is obliged to **examine** the goods prior and as close in time as possible to their handing-over to SYNFFLEX to the same extent as SYNFFLEX is obliged to examine on taking delivery, and to record the result of the examination in writing. In any event and irrespective of any obligation of examination on taking delivery incumbent upon SYNFFLEX the supplier is obliged to examine the goods in respect of the supplier's compliance with the quantity owed, the type and packaging of the supplied goods and their freedom from relatively easily detectable defects in quality. Including where INCOTERMS or clauses such as "ex works...." or similar are agreed, the supplier is furthermore obliged, to **inform** SYNFFLEX in writing with a reasonable lead time of the forthcoming delivery.
3. The **transport** of the goods is the sole responsibility of the supplier. In particular the supplier is responsible vis-à-vis SYNFFLEX for the goods being packed suitably for transportation, being loaded in a safe manner and being transported by means of transport suitable in all respects. INCOTERMS in groups E, F, C or D or clauses

such as "ex works...." or similar only involve a variation of the provisions as to transport costs; apart from this, the transport is owed by the supplier.

4. The supplier shall deliver the goods **cleared for unrestricted use** within the European Union, shall comply with customs and import regulations and with weight and measuring systems in force from time to time in Germany and is responsible vis-à-vis SYN-FLEX for fulfilling the duties associated with the putting of the goods **into circulation** in Germany. INCOTERMS in groups E, F, C or D or clauses such as "ex works...." or similar only involve a variation of the provisions as to transport costs; apart from this, the rules laid down in these International Purchasing Conditions continue to apply.
5. Subject to promises providing for more, the supplier is under a duty to hand over to SYN-FLEX goods of the agreed type and quantity, which are of the **quality** and in the **packaging** and which comply with the **labelling** and marking requirements, which in each case satisfy the requirements of the legal provisions, regulations and standards applicable from time to time to goods put into circulation in Germany and of the latest developments of science and engineering. The name of the manufacturer and the date of manufacture shall be placed on the goods and remain permanently recognizable. In particular, the supplier shall ensure that the goods are not subject to deviations which could adversely affect their normal value in use or their economic value in Germany, or the use intended by SYN-FLEX. Moreover, SYN-FLEX undertakes to deliver goods of above-average kind and quality taking account of the **tolerances customary in the trade**. The supplier is not entitled to make **part deliveries** or to invoice them separately.
6. Up to delivery, the supplier guarantees that the goods are free from **rights or claims of third parties**, in particular those based on title, industrial property or any other intellectual property, which could hinder the unrestricted usability of the goods by SYN-FLEX in the European Union.
7. Including where INCOTERMS or clauses such as "ex works...." or similar are agreed, the supplier is under a duty to obtain and to hand over to SYN-FLEX any licences, authorizations, certificates of origin, of movement and of preference, other certificates or other **documents** necessary for the free export, transit or import of the goods as well as for receiving tax relief in the European Union. The supplier guarantees that they are authentic documents with legal validity.
8. Every delivery must be accompanied by a **delivery note** which clearly states the order number of the order confirmation by SYN-FLEX and for each type of goods the applicable customs tariff number. **Invoices**, delivery notes and transportation documents must correspond to the details in the order confirmation by SYN-FLEX, must comply with all legal requirements and are to be forwarded to SYN-FLEX separately by post and additionally by electronic means. **Invoices** must clearly state the order number and the date of the order confirmation by SYN-FLEX as well as the supplier's tax number. Partial deliveries agreed upon or final instalment deliveries are to be identified as such in the delivery note and in the invoice.
9. The supplier is under a duty to fulfil his obligations timeously, in particular hand over to SYN-FLEX the goods as well as documents, delivery note and invoice **DDP (INCOTERMS 2000)** at the delivery address indicated in the written order confirmation, or in default at the premises in Blomberg/Germany. The use of other INCOTERMS or of clauses such as "ex works....." or similar merely involve a variation of the provisions as to transportation costs; apart from this, the provisions laid down in these International Purchasing Conditions including those referring to the place of delivery and to the passing of risk continue to apply. Only the employees of the warehouse and the shipping department of SYN-FLEX are entitled to accept delivery of the goods.

10. Strict **compliance with agreed dates or periods** shall be a fundamental obligation of the supplier. Without prejudice to any claim, which SYNFFLEX may have against the supplier for late delivery, any delay must be communicated to SYNFFLEX in writing immediately after discovery thereof and giving the new delivery date. The supplier is entitled to perform its obligations outside the agreed dates or periods only insofar as SYNFFLEX has in each individual case agreed thereto in writing.
11. Agreed **penalties** (contractual penalties and/or liquidated damages) shall be paid in addition to the agreed services and may be claimed by SYNFFLEX regardless of whether it accepts the delivery without reservation.
12. Statutory rights of the supplier to **exercise a lien** or to **suspend performance** and to **raise defences** or counterclaims are excluded, except where the corresponding claim of the supplier is due and undisputed or has been finally adjudicated upon or where despite written warning SYNFFLEX has committed a fundamental breach of its obligations due and arising out of the same contractual relationship, and has not offered any adequate assurance.
13. The supplier is obliged to use exclusively environmentally friendly packaging material and to collect at its own cost packaging material and goods delivered by it, insofar as these are subject to particular **legal provisions regarding waste-disposal** and for which disposal is prescribed, from the place of delivery indicated in the written order confirmation, in default at the premises in Blomberg/Germany, or to take it back from third parties. Irrespective of any statutory provisions, the supplier shall at its own cost take care of or in any other way ensure renewed utilization, material recycling or otherwise prescribed waste-disposal of the goods delivered and of the packaging material.
14. The supplier is obliged to collect at the place of delivery indicated in the written order confirmation or in default at the premises in Blomberg at its own cost spools, on which goods are delivered to SYNFFLEX, and to reimburse or give credit for the sums charged SYNFFLEX for the spools without any deduction.

IV. Obligations of SYNFFLEX

1. SYNFFLEX is obliged to **pay the agreed purchase price**. SYNFFLEX may pay subject to the right subsequently to check the invoice by a transfer to a bank with which the supplier maintains business, or by cheques. There are no further obligations on the part of SYNFFLEX to secure or to enable payment.
2. The claim to the payment of the price **comes into being** after the goods and/or the documents have been handed over to SYNFFLEX at the place of delivery indicated in the written order confirmation or in default at the premises in Blomberg/Germany. Without prejudice to the compliance with the respective applicable legal requirements, the payment is **due** within 30 days with an application of a discount of 3% or within 60 days with an application of a discount of 2% or within 90 days with an application of a discount of 1% or within 120 days net after SYNFFLEX has received an invoice in due form.
3. The **price covers** all of the supplier's services including any accessory expenses, in particular for packaging, shipment, insurance and import etc. Any increase in the price agreed at formation of the contract - irrespective of the legal ground - is excluded.
4. Third parties not involved in the making of the contract are not entitled to request payment. The supplier's **entitlement to receive payment** continues to exist even if it assigns claims to third parties. Should there be more than one party entitled to receive payment, SYNFFLEX is entitled in its discretion to make the entire payment to any one of them in satisfaction of claims from and against all of them.

5. Statutory rights of SYNFFLEX to reduce the price or to exercise a **set-off** against the price or to **suspend** the performance of its obligations and/or to **raise defences** or **counterclaims** are not restricted by the provisions laid down in these International Purchasing Conditions and SYNFFLEX shall be entitled to these rights irrespective of any further statutory remedies, even if cash-payment terms are agreed. Without any notice to the supplier being necessary, SYNFFLEX is entitled to **suspend** the performance owed by SYNFFLEX, so long as in SYNFFLEX's view there is a concern that the supplier will not wholly or in part perform in accordance with the contract its duties under the particular contract or another contract made with SYNFFLEX which has not been completely fulfilled. SYNFFLEX is also entitled to reduce the price or to exercise a set-off against the price or to suspend the performance of its obligations or to raise defences or counterclaims when the claim set up against the supplier is contested by the supplier, has been acquired by SYNFFLEX by assignment or SYNFFLEX is entitled to request payment for any other reason or when the claim set up against the supplier exists but has not yet fallen due or is in another currency or is subject to the exclusive jurisdiction of a court or an arbitral tribunal different to that provided for the claim of the supplier.
6. SYNFFLEX shall **not be obliged to perform**, other than as set out in the written order confirmation by SYNFFLEX or in these International Purchasing Conditions.
7. The **taking delivery** of the goods by SYNFFLEX is subject to the condition that the goods are in every respect in conformity with the terms of the contract, these International Purchasing Conditions and the applicable statutory provisions and free from rights or claims of third parties.

V. Non-conforming Goods

1. Further to statutory non-conformities goods **do not conform with the contract** if they do not conform with the requirements set out in sections III.-1. and III.-4 to III.-6. or with assertions in adverts or with declarations made by the supplier to SYNFFLEX or with other legal provisions applicable within the European Union or if rights or claims of third parties, in particular those based on title, industrial property or any other intellectual property are claimed, unless a different term is set out in SYNFFLEX's written order confirmation or unless the supplier proves that SYNFFLEX was well aware of the non-conformity at the time of formation of the contract.
2. Likewise, the confirmation to SYNFFLEX by the supplier as to the quality or suitability requested of the goods constitutes an unconditional and unrestricted **guarantee**, unless the supplier has declared in writing vis-à-vis SYNFFLEX that it cannot give such a guarantee. The same applies to all references made by the supplier to generally accepted standards or quality marks or to similar declarations indicating that the goods have certain qualities and/or are suitable for a particular purpose. In the case of subsequent transactions concerning the same type of goods, the confirmations, references or other declarations continue to apply, without their needing to be mentioned again.
3. With the exception of very obvious non-conformities, the **duty to examine** the goods only arises when the goods are processed or used by SYNFFLEX, however at the latest one half year after their handing-over to SYNFFLEX. The duty to examine exists only in respect of typical deviations of a factual kind in type, quantity, quality and packaging of the goods delivered; there exists no duty incumbent on SYNFFLEX vis-à-vis the supplier to examine the goods for defects in title or in respect of compliance with legal provisions. The examination shall be limited to spot checks undertaken by SYNFFLEX. In the case of delivery in instalments or of part deliveries, the examination of individual deliveries shall suffice. In any case the application of SYNFFLEX's usual methods of examination shall be sufficient. The consulting of experts, damage assessors, inspection offices or other external third parties is not

required. If the supplier delivers late, the duty to examine falls away insofar as an adequate time for examination is no longer available in consequence of the late delivery. There is no obligation to examine where goods are sold on without change.

4. SYNFLEX shall **give notice** of very obvious non-conformities within 5 working days after the handing-over of the goods to SYNFLEX and of non-conformities discovered pursuant to the examination within 10 working days after their discovery. Notice of non-conformities not discovered by the examination shall be given within 15 working days after the non-conformity and the supplier's responsibility therefore are finally determined. There is no obligation of SYNFLEX to give notice, if the supplier knew or could not have been unaware of the lack of conformity. Moreover, notice shall be given to the supplier or to its sales intermediary. The notice shall describe the non-conformity in general terms; greater details as to the type of non-conformity or the extent of the goods affected are not required. The supplier is obliged, when required, to ask SYNFLEX for further details of the type of non-conformity or the number of affected goods. Rights or claims of third parties can be given notice of at any time without complying with any time limit.
5. Without prejudice to its continuing contractual or statutory rights, SYNFLEX is according to these International Purchasing Conditions entitled to rely on the remedies provided in section V.-6., if under the terms of these International Purchasing Conditions the goods do not conform with the contract **at the time** the notice period stipulated in section V.-4. commences, unless the supplier sets forth that the non-conformity with the contract was caused after risk has passed and is attributable to SYNFLEX's area of responsibility.
6. Irrespective of any fortuitous damage to the goods after risk has passed, SYNFLEX is entitled in the case of non-conforming goods according to these International Purchasing Conditions to rely without restrictions on the **remedies** provided by law and/or to advance extra-contractual claims. Delivery of substitute goods and avoidance of the contract are not conditional on a fundamental breach of contract or the intact restitution of the non-conforming goods and shall be made at the latest 4 months after the notice of the non-conformity. Quantities delivered in excess may be returned totally or partly by SYNFLEX without a notice of non-conformity being necessary. Moreover, the stipulations in VI.-2. on the avoidance of the contract and in VII.-2. on damages apply to the delivery of non-conforming goods as well. Until the complaint has been settled completely, SYNFLEX is in addition entitled to retain from the purchase price up to 3 times the costs of repair. With respect to not very obvious non-conformities, SYNFLEX is also entitled, notwithstanding any other claims, to be reimbursed for any wasted **expenses** as well as for any expenses incurred by SYNFLEX towards its customers or other third parties, insofar as the expenses are the consequence of non-conformities attributable to the supplier on the basis of these International Purchasing Conditions.
7. The **limitation period for remedies** begins to run on handing-over the goods at the place of delivery indicated in the written order confirmation or in default at the premises in Blomberg/Germany and after complete performance of all of the supplier's primary obligations. In no case shall the limitation period expire before the expiration of six months from the giving of notice of the non-conformity, if the notice was given before the statutory limitation period elapsed. Whilst the supplier is investigating the existence of a non-conformity or is trying to correct the same, the running of the limitation period shall be suspended until the supplier gives SYNFLEX a final written notification. The limitation period for remedies of SYNFLEX against the supplier in respect of violation of third parties' rights is ten years.

VI. Avoidance of the Contract

1. Without prejudice to the compliance with the respective applicable legal requirements, the **supplier** is only entitled to declare the contract avoided after it

has threatened SYNFFLEX with avoidance of the contract in writing and a reasonable additional period of time given in writing for performance has expired to no avail. In any event, the supplier must give notice of avoidance of the contract to SYNFFLEX directly within reasonable time in writing.

2. Without prejudicing its other legal rights, **SYNFFLEX** is entitled to avoid the contract in whole or in part without compensation if the supplier objects to the application of these International Purchasing Conditions, if the written order confirmation is received by the supplier more than 14 calendar days after its date of printing, if insolvency proceedings are applied for or commenced relating to the assets of the supplier, if the supplier without providing a reason justifiable in law does not meet fundamental obligations due towards SYNFFLEX or towards third parties, if SYNFFLEX due to the delivery of non-conforming goods is entitled to remedies according to these International Purchasing Conditions, if the supplier has failed to comply with other obligations and an additional period of time for performance set by SYNFFLEX has expired to no avail, or if for other reasons SYNFFLEX cannot be expected to fulfil its obligations by means, which taking into consideration its own interests and that of the supplier as far as ascertainable and legitimate at the time of formation of the contract, are unreasonable in particular in relation to the agreed counter-performance.

VII. Damages

1. The supplier is entitled to claim **damages from SYNFFLEX** in case of unjustified late payment. Damages amount to a flat interest rate of 2% per annum above the base interest rate of the German Federal Bank (Deutsche Bundesbank) or above the official rate of discount of the currency in which payment is due applicable during the unjustified retention of payment. With the exception of damages due to intentional harm or gross negligence, any claim on any other ground to damages, to further interest or to an indemnity against any other kind of damages is excluded.
2. Without prejudicing other claims inclusive claims of an extra-contractual nature, SYNFFLEX is entitled without any restriction and in accordance with the legal requirements, to claim **damages from the supplier** instead of or in addition to any other remedy for every kind of breach of contract including death or personal injury caused by the goods. The taking of delivery of the goods or the paying of the purchase price without any reservation shall not result in a waiver of the right to damages. Without prejudice to any further reaching legal rights, the quantum of damages to be compensated shall comprise all direct and indirect expenses, losses and inconveniences caused to SYNFFLEX by the breach of contract, unless the supplier proves that the extent of damages was not foreseeable at the time of formation of the contract nor during its performance. Without prejudice to the supplier proving that damage was either not caused or was caused in a significantly smaller size, and without prejudice to SYNFFLEX claiming further damages, in each case of late delivery by the supplier SYNFFLEX is also entitled to claim liquidated damages of 0.5 % for each week of delay commenced, up to a maximum of 10 % of the value of the respective goods, without any evidence being necessary.

VIII. Other Provisions

1. On delivery the goods as well as all connected papers and documents become in principle the unrestricted property of SYNFFLEX. If a **reservation of title** in favour of the supplier has been agreed, this has only the effect of a simple reservation of title; in addition, SYNFFLEX is entitled regardless of the reservation of title, to utilise the goods at any time without any restrictions, namely by processing the goods and/or selling them, as well as by transferring property in the goods to third parties, even when such utilisation by SYNFFLEX has the consequence of destroying the reservation of title.

2. Without prejudice to SYNFFLEX's continuing claims, the supplier will indemnify SYNFFLEX without limit against all claims of third parties which may be brought against SYNFFLEX based on **product law** or **product liability law** or similar provisions, insofar as the product was delivered by the supplier or contained materials or parts delivered by the supplier and presuming that its place of business is in Germany the supplier itself could be held liable in place of SYNFFLEX. In particular, the indemnification also includes compensation for expenses incurred by SYNFFLEX and the costs of any precautionary campaign to redress or recall potentially defective goods and is granted by the supplier waiving further conditions or other objections, in particular without requiring compliance with any duty of examination, giving notice, supervision or recall, and waiving any defence of limitation. Irrespective of any additional claims of SYNFFLEX, the supplier shall maintain a **product liability insurance** with a cover figure of not less than € 5 Mio. for each event of damage or loss.
3. Without prejudice to SYNFFLEX's continuing claims, the supplier shall give SYNFFLEX unlimited security or compensation on first demand and waiving all further conditions or other defences, in particular waiving the observing of all duties of examination, notifying, control or recall or the prior taking of administrative or legal proceedings, as well waiving the defence of limitation, if in consequence of an **administrative order** SYNFFLEX is threatened with detriment or if SYNFFLEX is subject to administrative fines or if SYNFFLEX learns of other detriment and the administrative order is based on provisions of product law, the observance of which is according to the provisions of these International Purchasing Conditions within the supplier's sphere of obligation. The same applies, if SYNFFLEX is obliged on the basis of applicable statutory provisions to recall goods, which have been delivered by the supplier or which contain parts delivered by the supplier, if these are the cause of the **recall of the goods**.
4. In relation to pictures, drawings, calculations and other **documents** as well as computer-software, which have been made available by SYNFFLEX in a material or electronic form, SYNFFLEX reserves all proprietary rights, copyrights, other industrial property rights as well as know-how rights.
5. All communications, declarations, notices etc. are to be drawn up exclusively in **German or English**. Communications by means of fax or e-mail fulfil the requirement of being **in writing**.

IX. General Basis of Contracts

1. The **place of performance** and payment for all obligations arising from the legal relationship between SYNFFLEX and the supplier is the place of delivery indicated in the written order confirmation by SYNFFLEX or in default at the premises in Blomberg/Germany. This provision also applies if the supplier renders performance for SYNFFLEX somewhere else or in the case of restitution of performances already rendered. The agreement of **INCOTERMS** or agreements as to how costs are to be borne do not entail any change of the above rule as to the place of performance.
2. The United Nations Conventions of 11 April 1980 on Contracts for the International Sale of Goods (**UN Sales Convention / CISG**) and on the Limitation Period in the International Sale of Goods, both in the English version govern the legal relationship with the supplier. The UN-Conventions apply, above and beyond their own area of application, and regardless of reservations adopted by other states, to all contracts to which these International Purchasing Conditions are to be applied according to the provisions of section I. Where standard terms of business are used, the **INCOTERMS 2000** of the International Chamber of Commerce apply taking into account the provisions stipulated in these International Purchasing Conditions.

3. The **formation of contract**, including agreements as to the jurisdiction of courts or arbitral tribunals, and the contractual **rights and obligations of the parties**, also including the liability for death or personal injury caused by the goods to any person and pre-contractual and collateral obligations, as well as the limitation of actions and the interpretation are exclusively governed by the UN-Conventions specified in section IX.-2., together with these International Purchasing Conditions. Outside the application of the UN-Conventions, the contractual and extra-contractual relationship between the parties is governed by the non-uniform Swiss law, namely by the Swiss Obligationenrecht. Deviations from the rules laid down in the UN-Conventions specified in section IX.-2. and from the Swiss Law exclusively arise on the ground of individual agreements reached between SYN-FLEX and the supplier and these International Purchasing Conditions.
4. All contractual and extra-contractual disputes as well as disputes under insolvency law arising out of or in connection with contracts to which these International Purchasing Conditions apply, shall be finally resolved by **arbitration** according to the Rules of the London Court of International Arbitration (LCIA) without recourse to the ordinary courts of law. The tribunal shall consist of three arbitrators, one (1) of them shall be nominated by the claimant, one (1) of them by the respondent and the chairman of the tribunal shall be nominated by the LCIA, or if the amount in dispute is inferior to € 50.000, there shall be one (1) arbitrator nominated by the LCIA. The place of the arbitration shall be Zürich/Switzerland, the languages used in the arbitral proceedings shall be German and/or English. Instead of bringing an action before the arbitral tribunal, SYN-FLEX is also entitled to bring an action before the national courts of the supplier's place of business, or other national courts having jurisdiction according to domestic or foreign law.
5. If provisions of these International Purchasing Conditions should be or become partly or wholly ineffective, the remaining arrangements will continue to apply. The parties are bound to replace the ineffective provision with a legally valid provision, as close as possible to the commercial meaning and purpose of the ineffective provision.