



GRW - GENERAL CONDITIONS OF SALE AND DELIVERY

All deliveries and other services provided by us to companies, legal entities subject to public law or assets governed by public law shall be rendered by us subject solely to the following terms and conditions:

I. Conclusion of contract / written form

1. The delivery contract as well as any possible changes, collateral agreements and other agreements shall only become binding upon confirmation by us. The delivery contract as well as any possible changes, collateral agreements, declarations as to termination or other such declarations and notifications must be made in writing (§ 126 b Federal German Civil Code [BGB]) in so far as nothing to the contrary is agreed under these terms and conditions.

2. The orderer accepts our General Conditions of Sale and Delivery at the time of the receipt of our confirmation and/or acceptance of the ordered goods or services. We shall not be bound by the general terms and conditions of the orderer that differ from our General Conditions of Sale and Delivery. Such deviating terms and conditions shall not become an integral part of the contract, either through acceptance of the order or other conclusive negotiations.

II. Prices / processing fees / delivery of reduced or increased quantities

1. The prices valid shall be those prices valid either on the day of delivery or day on which service is provided and shall be subject to the relevant statutory value added tax.

2. We reserve the right to charge an additional processing fee if the minimum quantities delivered as stipulated in our respective valid price list or the determined minimum value of the order should not be achieved.

3. For special designs we reserve the right to deliver appropriately reduced or increased quantities.

III. Delivery times / default / call-off orders / partial deliveries

1. Delivery dates shall be based on the date of order acknowledgement but at the earliest when final agreement has been reached with the orderer as to questions to be clarified before production start.

2. The delivery time is to be considered as kept when the goods to be delivered have left the works before elapse of the delivery date or when notification of readiness to dispatch is given.

3. Unforeseeable, unavoidable events in the production or other obstacles such as acts of God, labor disputes or other disruptions at our own factory or at the factories of our sub-contractors as well as late deliveries made by our sub-contractors shall give us the right to extend

the delivery date for the duration of the obstacle. This shall also apply when the above mentioned events occur at a point in time when we are in default. We shall inform the orderer as to the beginning and end of such disruptions as soon as possible.

4. The orderer can claim damages for delayed delivery in so far as we are in default and damages are incurred for the orderer. For each full week of the delay this shall be 0.5 % but in total maximum 5 % of the value of such part of the complete delivery that could not be used in good time or not in accordance with the contract as a result of the delay. Further claims for delay shall only be given in accordance with VII paragraph 2 and 3. The orderer can only withdraw from the contract pursuant to the legal regulations in so far as we are responsible for the delay in delivery.

5. In so far as it has been agreed with the orderer that a fixed, agreed quantity is to be delivered within the stipulated period ("Agreed Period") and the orderer has the right to determine the respective delivery date, deliveries are to be clarified mutually and be subject to the time needed for production. After elapse of the agreed period we can deliver and charge the orderer with the still not called off quantities.

6. Partial delivery shall be permissible in so far as such is not unreasonable for the orderer.

IV. Packaging / dispatch / transfer of risk

1. Shipment shall be made ex-works Würzburg, Germany (subject to Incoterms in their respective valid version), and the selection of the packaging material as well as the type of packaging used shall remain our choice. Forwarding instructions of the orderer shall only be binding for us when such have been agreed in writing.

2. Pallets, containers and other multi-way packaging shall remain our property and are to be returned carriage paid by the orderer to our point of delivery without delay. Non-returnable packaging will be charged at self-cost price and not taken back.

V. Payments

1. Payments for deliveries shall be made as a matter of principle in accordance with the terms of payment stipulated in the order acknowledgement. The following regulation shall be applicable unless separate agreement has been reached otherwise.

2. Payments are to be made within thirty (30) days of date of invoice without deductions and be paid into one of our bank accounts. We grant two percent (2 %) cash discount for payment made within fourteen (14) days of date of the invoice in so far as the orderer is not in default with the payment of other claims.

3. The orderer shall be in default from that point of time onwards when the agreed payment period is exceeded unless payment is not made due to circumstances for which he is not responsible.

4. Retention of payments due to counter claims or off-setting such counter claims shall not be permitted unless the counter claims are undisputed, have become legally final or are pending a court decision.

5. We shall have the right to make all our claims immediately due for payment should circumstances have become known to us which indicate deterioration in the assets or financial situation of the orderer.

VI. Retention of title / prior sale rights

1. We reserve our retention of title rights for all goods delivered by us until all claims arising out of the business relationship with the orderer have been settled in full ("goods under retention of title"). In the case of open account business these retention of title rights shall also be valid as collateral for claims against the account.

2. Should the goods under retention of title become a component part of a new thing/product owned by the orderer it is hereby considered as agreed that the orderer transfers co-ownership to us for the new thing/product and shall uphold these rights for us free of charge. Our retention of title share shall be determined in accordance with the relationship of the value of the goods subject to retention rights to the value of the new thing/product.

3. The orderer hereby assigns to us all claims he has against his buyer arising out of the resale of the goods subject to retention rights. Should the goods subject to retention be sold together with other goods that are not owned by us, the orderer shall then assign to us the said part of the claim resulting from the sale according to the invoiced amount of the goods subject to retention of title. Should the goods subject to retention of title be sold which we only own in part, the part assigned to us shall be measured on the claim given and be equivalent to our share of ownership and the goods subject to joint ownership.

4. The orderer shall be irrevocably empowered to collect the claims resulting from the resale equivalent to the invoiced amount of the goods subject to retention of title. Upon demand the orderer shall indicate the assignment to his buyers and provide us with all the necessary information and make documents to us available which we require to exert our rights.

5. We shall be committed to release our share of the joint ownership to such an extent as if their value has exceeded the safeguarded claims by more than twenty percent (20%).

6. Should the goods subject to retention of title be subject to lien or should our rights be adversely effected by third parties in any other way, the orderer shall be committed to inform us of this immediately.

7. In so far as mandatory legal provisions of the respective country make no provisions for retention of title rights in the sense pursuant to Paragraph VI 1 - 6 but recognize other rights for safeguarding claims given as a result of invoices of the supplier, we hereby reserve these rights. The orderer shall be committed to cooperate and to take measures to safeguard our retention of title rights to the goods subject to retention at this given point in time.

8. The orderer shall grant us the prior rights of sale in respect of the stocks of our products for all cases of insolvency as well as in the case of use of the goods for any purpose for which the goods were not supplied.

VII. Infringement of duties

1. The statutory rights of the orderer pursuant to § 437, No. 1 Federal German Civil Code [BGB] shall be applicable subject to the following conditions:

a. In so far as the goods supplied by us are not usable in whole or in part due to deficiencies, we shall eliminate the deficiencies or supply non-defective goods at our choice, which shall be

in accordance with the less expensive measure (which hereinafter shall be termed "subsequent fulfillment"). Furthermore, we shall bear the direct costs for dismounting and installation incurred by the orderer. No obligation to bear the costs for direct dismounting and installation shall be given should this be necessary outside Germany. Furthermore, such an obligation is not given when no reasonable relationship is given between these costs and the delivery price of the defective goods supplied. In all other cases the orderer shall bear the costs. We shall not be liable for damage or natural wear based on the service life, improper installation or use.

b. The orderer shall grant us reasonable time and give us the opportunity to carry out the apparently necessary repairs and for subsequent fulfillment by the most reasonable means. The orderer shall only have the right to carry out repairs himself or to have these carried out by a third party only in urgent cases where there is a risk to operational safety or to prevent more extensive damage unless this is out of all proportion to the costs or when we are in default for improvement and demand the reimbursement of the necessary costs. We must be informed immediately should such a case arise.

2. The further statutory rights of the orderer shall be subject to the following conditions: We shall only be liable in the following cases:

(1) intentional breach of duties;

(2) gross negligent breach of duties by our legal representatives or assistants;

(3) damage to life, physical injury or health for which we are responsible;

(4) fraudulent withholding of information on deficiencies or in respect of guarantees given for the properties of supplied goods;

(5) infringement of significant contractual commitments, for which we are responsible and in the case of gross negligence by non-executive employees and for negligence which shall be restricted to the typical contractual easily foreseeable damage

(6) in so far as liability is laid down pursuant to the Product Liability Act for personal injury or property damage through privately used objects.

3. in so far our liability shall be excluded hereby unless Article III Section 3 or Article VII Sections 1 and 2 make other provisions.

4. We must be informed immediately as to deficiencies after these have been determined. The goods subject to complaint shall be kept available to us. We shall only reimburse the costs for the return shipment of same when this is made at our request.

5. The orderer shall bear the responsibility for providing evidence that all the conditions have been fulfilled by him to make valid all claims due to infringement of commitment. This shall also apply in the case when we are responsible.

6. Claims for deficiencies shall become barred by the statute of limitation 12 months after the goods have been put into commission but at the most 24 months after transfer of the risk but also subject to use in single shift operation.

7. § 350 of the German Civil Code [BGB] shall apply appropriately for statutory rights for withdrawal from contract.

VIII. Guaranty / procurement risk

For our part we have to expressly give guarantees and property assurances or accept the procurement risk and these are to be deemed as such and all be given in writing to become effective. General modifications in construction or design of the goods supplied under contract shall not be construed as rights for complaint. The orderer and ourselves are in agreement that details given in our catalogues, printed matter, publicity material and other general information shall at no time be construed as any guarantee for the goods or assumption of procurement risk.

IX. Secrecy

Both the orderer and ourselves, shall maintain secrecy as to information received from other respective parties. This shall also apply after fulfillment of the delivery contract. This commitment shall not be valid for information which was already known by the party receiving the information without any commitment to secrecy in an authorized way or subsequently without commitment to secrecy in an authorized way or are generally known or become known without any infringement of contract by one of the parties. Each party shall retain property and other rights to the documentation or data carriers made available to them. Duplication and passing on such documentation or data carriers shall only be permitted with the consent of the party making this material available.

X. Miscellaneous

1. Place of fulfillment for all deliveries and payment is Würzburg, Germany.
2. Place of jurisdiction is Würzburg, Germany. Nevertheless, we can also take legal steps at the head office of the orderer.
3. The contractual relationship is subject to the laws of the Federal Republic of Germany. The application of the uniform United Nations Buying Rights (CISG) shall be expressly excluded.
4. Failure to assert any rights arising out of this delivery contract in whole or in part or later making valid any rights arising out of this delivery contract whatsoever shall not be interpreted as relinquishment of these or any other rights whatsoever.
5. Should a specific provision be ineffective or become ineffective this shall not effect the validity of other provisions.
6. Attention is expressly drawn to the fact that we file and process personal related data with due consideration to the legal regulations and only in connection with business transactions.

Gebr. Reinfurt GmbH & Co. KG