

STANDARD TERMS AND CONDITIONS OF SALE AND DELIVERY OF SÜLZLE KLEIN GMBH

Unless expressly agreed otherwise, the following terms and conditions shall apply:

01 | SCOPE OF SUPPLY AND SERVICES, PATENT RIGHTS

The Supplier's (Sülzle Klein GmbH) written order acknowledgement shall exclusively be valid for the scope of supply and services. Any subsequent additions, subsidiary agreements and modifications shall require the written confirmation of the Supplier to become effective.

All cost estimates, drawings and other documents shall remain the property and copyright of the Supplier; such documents shall not be disclosed to Third Parties.

With regard to orders for delivery items for which the Purchaser specifies design features and composition, the Purchaser shall be held responsible that such design or composition does not infringe any patent rights of Third Parties. The Purchaser shall indemnify the Supplier from all claims raised in this connection.

02 | PRICES

Prices are quoted ex works, including loading, however excluding packing, plus legal value added tax at the current rate. All prices are without engagement. The Supplier reserves the right to adjust prices if cost factors change until delivery. Excess deliveries for reasons of production engineering (cf. Para. 6) shall be paid separately by the Purchaser.

03 | TERMS OF PAYMENT

All invoices shall be payable without deduction within 14 days of the invoice date, free Supplier's place of payment. Should the Purchaser have any claims, he shall only be entitled to withhold payments based on the same contractual relationship. The Purchaser may not set off any counterclaims whatsoever unless the counterclaim is undisputed or has been declared final and absolute by a court.

04 | DELIVERY TIME

The delivery time shall commence at the date of dispatch of the order acknowledgement, however not before any essential information which the Purchaser may provide has been submitted. The delivery time is met when the goods have left the works within the stipulated time or the Purchaser has been advised about readiness for shipment in case dispatch is not possible for reasons beyond the Supplier's control. In case of force majeure and other unforeseeable events for which the Supplier is not responsible and which affect the completion or delivery of the goods, the delivery time shall adequately be extended. This shall also apply if such circumstances arise at subcontractors. An obligation to pay damages for late delivery is only due in cases of intention or gross negligence.

05 | DISPATCH AND TRANSFER OF RISK

For deliveries without erection, the risk shall pass to the Purchaser when the delivery items have been dispatched, at the latest. In the case of delays for which the Purchaser is responsible, the risk shall pass to the Purchaser at the date when the goods are ready for dispatch. Dispatch will be made at the Purchaser's expense and risk.

For deliveries including erection, the risk shall pass to the Purchaser at the date of taking over; if test run has been agreed, the risk shall pass after completion of such test run, always provided that test run is performed immediately after erection and commissioning.

06 | ACCEPTANCE AND PERFORMANCE

Delivered items shall be accepted by the Purchaser even if minor defects are apparent, notwithstanding the rights under Para 7. Partial deliveries and excess deliveries for production reasons are permissible.

07 | LIABILITY FOR DEFECTIVE DELIVERY – RIGHTS TO CLAIM DEFECTS

Should delivery be defective, the Purchaser shall have the following rights:

a) Re-performance

aa) The Supplier may, at his option and equitable discretion, repair or replace any parts which have been found useless or of considerably reduced usefulness (re-performance). This right shall fall under the Statute of Limitations upon expiration of twelve months from the time of delivery.

bb) The causes for such defects shall have arisen prior to passing of the risk. These include, in particular, faulty type, poor materials or poor workmanship. Detection of such defects shall be brought to the Supplier's knowledge promptly and in writing. All replaced parts shall become the Supplier's property.

cc) The Purchaser's rights to claim defects in the replacement part and re-performance shall fall under the Statute of Limitations within three months following completion of the re-performance work, however not before expiration of the period of limitation of the rights to claim defects for the entire delivery item.

b) Reduction of Purchase Price and Rescission

If re-performance is not possible or would require undue efforts, the Purchaser shall be entitled to a reduction of the purchase price or rescission regarding the defects specified in lit. a) bb).

It shall be a prerequisite for the Purchaser's right of rescission that the Supplier's second attempt at re-performance within a reasonable extension of the original period by the Purchaser.

c) Further Rights to Claim Defects

Any claims of the Purchaser for a redhibitory defect are finally governed in Para. 7. Any further claims shall be excluded. Para. 10 shall apply to claims for damages and repayment of expenses.

d) Statutory limitation

Claims for redhibitory defects shall fall under the statute of limitations after 12 months. This period shall begin to run at the time when the risk passes.

08 | RETENTION OF TITLE AND RIGHT TO RESCIND

The Supplier reserves ownership of the goods delivered until all claims arising from the supply contract have been paid, including any refinancing or reversing bills. If items delivered by the Supplier are either a) treated and/or processed or b) joined or processed with other items so that they form another entity, it is understood that the Purchaser shall transfer pro-rata co-ownership to the Supplier, i.e. in case a) in portion of the invoice amount of the delivery items to the invoice amount of the finished product, and in case b) in proportion of the invoice amount of the delivery items to the invoice amount of the other goods. The Purchaser shall keep the property in custody for the Supplier.

The Purchaser shall have the right to sell the goods in his regular course of business. He shall, however, hereby already assign his claims in the amount of the price of delivery (plus interest and incidental charges) to the Supplier to which he is entitled from any resale to a customer. Assertion of the retention of title, as well as attachment of the delivery item by the Supplier shall not be deemed a rescission of contract unless the instalment law is applicable.

Should the Supplier not be able to render performance for reasons for which he is not responsible, he may rescind the contract in whole or in part. In this case he shall not be liable to pay damages.

The Purchaser shall have the right to rescind the contract if the Supplier fails within the allotted reasonable deadline either to make repair or replacement of a defect for which the Supplier is responsible within the meaning of the Terms and Conditions of Supply. In lieu of his right to reduce the purchase price, the Purchaser's right to rescind shall also apply if the Supplier is unable or incapable to make repair or replacement.

09 | ERECTION, COMMISSIONING AND TEST RUN

The Supplier's General Terms and Conditions for Erection shall apply for all types of erection, commissioning and test run.

10 | CLAIMS FOR DAMAGES, REPAYMENT OF EXPENSES

a) The Supplier shall be liable for intention and gross negligence in accordance with statutory provisions. In all other respects, the Supplier shall be liable under the product liability act only for injury to life, body or health or for culpable violation of essential contractual obligations.

b) The Supplier will not make good any damage resulting from the following causes: unsuitable or improper use or non-observance of operating instructions, incorrect erection or commissioning by the Purchaser or third parties, natural wear and tear, improper or negligent handling, unsuitable operating materials and replacement materials, faulty construction work, unsuitable foundation material, or chemical, electrochemical or electrical influences unless they can be attributed to a fault of the Supplier.

c) The Supplier's liability shall be limited to foreseeable and contract-specific damage up to a maximum amount of € 1,5 million. This limitation shall not apply if legal representatives or executive employees of the Supplier have caused the damage with intention or gross negligence or have violated essential contractual obligations. Moreover, this limitation shall also not apply if the Supplier is liable for injuries to life, body or health.

d) A claim for repayment of expenses shall only arise under the prerequisites mentioned in 10a) above.

e) No change in the burden of proof to the disadvantage of the Supplier shall be associated with the above provisions.

11 | PLACE OF JURISDICTION – PLACE OF PERFORMANCE – GOVERNING LAW

The place of jurisdiction shall be Betzdorf. The Supplier shall also have the right to file a petition at the Purchaser's principal place of business. The place of performance for all payments to be made by the Purchaser shall be Betzdorf. The contractual relationship shall be governed by the substantive law of the Federal Republic of Germany.

12 | PARTIAL INVALIDITY

Should any of these provisions be or become invalid, this shall not affect the legal validity of all other provisions. The Purchaser and the Supplier shall agree to replace such invalid provisions by other provisions which come nearest to the economic intent of the invalid provisions.