

GENERAL PURCHASE AND DELIVERY CONDITIONS OF ALIMAC DEUTSCHLAND GMBH

1. Field of application:

Deliveries are to be made only and exclusively according to the conditions laid down hereafter, that apply to the placing of orders, the return of the same as well as all other even tacit forms of order confirmation or receipt of goods and invoice. The contract is valid for 10 days after the receipt of the order confirmation. The orderer commits him/herself to recognising the following general purchasing and supply conditions for all future supplies and sales. Further or other agreements or conditions are only deemed valid if they are in written form and explicitly approved.

2. Offers and orders:

Offers are always submitted without commitment. The orders are only binding if communicated in writing or confirmed within a week.

3. Shipment; transfer of risk:

The goods always travel at the risk of the orderer. The risk is transferred to the orderer on the goods being handed over to the carrier, at the latest on leaving the works or the warehouse.

4. Delivery:

- a) The supplier is authorized to carry out partial deliveries within the delivery deadline.
- b) As a principle, the delivery terms indicated are binding and generally only indicate the established delivery date. The explicitly agreed terms of delivery are only applicable on condition that all the order details are punctually clarified, and that all the orderer's obligations are punctually fulfilled.

c) In the event of culpable non compliance with a delivery deadline specifically agreed upon in written form, the orderer should lay down a suitable supplementary deadline in writing. Should this supplementary deadline also not be respected, the orderer is entitled to recede from the contract. The right to compensation for the damage caused by the delay is laid down on the basis of the clause concerning responsibility as in par. 9.

d) Force majeure, industrial protest action, actions carried out by the authorities as well as involuntary interruption of the work activity are not part of the direct area of responsibility of the supplier, and automatically lead to an appropriate postponement of the delivery terms. The same goes when the aforesaid circumstances apply for an upstream supplier. If it be assumed that the impediments will not cease within a given acceptable period, the supplier is entitled to totally or partially recede from the contract, without any obligation of supplementary deliveries.

e) If for his or her part the orderer is in default of acceptance or deliberately violates other obligations, the supplier has the right to demand compensation for damages, including supplementary expenses. The exercising of further rights is reserved. Up until the entire payment of all invoices due and in the event of delay in payment by the orderer, the supplier is not held to respect the terms of future deliveries nor to provide further material under the existing contract.

5. Prices, conditions of payment:

a) Subject to other written agreements, the prices at the moment of the supply/performance are applicable. All prices are understood, here too unless agreed otherwise, as for deliveries ex works. The supplementary costs due to special modes of shipment demanded by the orderer (ie. express, by air) are at the orderer's expense. Excepting other agreements, the orderer foots the shipment costs.

b) The invoices should be paid within 30 days of invoice date without deductions; in the event of payment 14 days from the invoice date, a 2% discount is applied. To speed up payment, the crediting of the sum to the commercial account of the supplier is to be considered.

c) The place of liquidation of the payments is the supplier's headquarters. Payments to representatives or third parties are only to be considered liquidated if they have taken place on the presentation of a written power of collection relative to the said case. Cheques are only accepted as conditional payment.

d) In the event that the payment deadline has expired or of incomplete or non punctual payment, the orderer falls into arrears, even without admonition, at the latest 30 days after the due date and the arrival of the invoice. In this case, the supplier, without prejudice to his/her other rights, is authorised, as of the beginning of the period of arrears, to demand interest on the arrears to the measure of 8% of the respective basic interest rate (§ 247 of the German civil code).

e) If the orderer is in arrears with the payment or justifiable doubts arise as to the solubility of the same, the supplier is authorised to immediately enact all his/her rights and/or demand guarantee action even prior to delivery. The supplier is also entitled to withhold outstanding deliveries, or

after the termination without outcome of an adequate supplementary deadline, to recede from the contracts in question.

6. Compensation, right of retention:

The orderer only has the right to compensation in the event of uncontested or legally established credits. What is more, the orderer is only authorised to apply a right of retention as regards the rights based on the same contractual relationship.

7. Reservation of property rights:

a) The goods supplied remain the property of the supplier up to the complete payment of the purchase price and all the credits resulting from the commercial relations.

b) Providing the orderer fulfils his own contractual obligations, he/she is entitled to sell the goods subject to retention of title under normal commercial proceedings. Already with the purchase of goods subject to retention of title, the orderer cedes his/her rights over his/her customers from the subsequent sales to the supplier, including all the ancillary rights. If not otherwise indicated the orderer has the right to withdraw the rights ceded. If requested to do so the orderer is bound to disclose the extent of his entitlements and the names of his debtors.

c) The pledging or the transfer of property as a guarantee are not allowed; the orderer should make known, without culpable hesitation, the actions of third parties regarding property rights.

d) If the orderer does not fulfil his commitments resulting from the contract, the supplier is authorised to demand the return of the goods subject to retention of title. The orderer is considered devoid of all property rights on this count.

e) If the purchased material is processed, the supplier is to be considered the producer. Likewise the same acquires the property of the object produced, without the orderer being able to apply his rights. If during the processing other materials are used, the supplier obtains the joint proprietorship of the object produced, and precisely in relation to the value of the item sold in respect to the value of the other materials used. If the mixture is such that the supplier's material is the main material, the orderer should transfer the co-proprietorship onto the supplier in due proportion. The supplier commits him/herself to releasing the provided securities, when their value exceeds 10% of the orderer's guaranteed credits.

8. Guarantee:

a) Complaints of any type are only valid if forwarded in writing direct to the supplier within ten days of receiving the goods. In the event of hidden failings the same deadline runs from the discovery of the flaw or failing, if necessary providing samples and/or technical tests. In the event

of a general order, any partial deliveries should be contested separately. If the supplier accepts the complaint regarding the issue in question, he/she does not lose the right to reject the contestation as belated or inappropriate.

b) The rights of guarantee are waived if the flaw was caused by transport, storage or improper conversion of the sold product. On top of that there are no rights for flaws that arise due to natural wear.

c) There is no guarantee regarding the suitability of the products ordered for given commercial purposes and/or a given technical use, when these characteristics have not been laid down in writing in the order.

d) The differences of a commercial kind, caused by the materials or the small and inevitable technical difference noticeable in characteristics such as color, structure, size or weight cannot be the object of contestations. The samples delivered are to be considered as only indicative and at any rate not binding in terms of the delivery or supply.

e) The demands for compensation for damages due to flaws are laid down on the basis of the following clause relating to responsibility.

f) If the orderer is not the consumer, the termination of prescription of the rights for flaws is 12 months from the delivery of the item. §§ 478 and 479 of the German civil code are hereby not affected.

g) Any return takes place at the purchaser's risk.

9. Responsibility:

The supplier is responsible for malice and serious negligence. In addition the supplier is responsible in the event of intentional violation of the fundamental contract obligations (cardinal obligations). In the event of violation for slight negligence of fundamental contractual obligations, the responsibility of the supplier is limited to the predictable damages laid down in the contract. Responsibility for grievous harm to life, body and health is not touched; the same also goes for responsibility as under the law governing the responsibility of the producer. Further demands for compensation for damages are excluded.

10. Data protection:

The personal data is processed in conformation with the data protection standards in order to favour the regular and necessary fulfilment of commercial relations.

11. Applicable law; competent court; other:

- a) For all the controversies between orderer and supplier the law of the Federal Republic of Germany has exclusive jurisdiction.
- b) The competent court for all the judicial controversies is Munich. The supplier all the same may also cite the orderer using the tribunals of his/her own general competent court.
- c) The ineffectiveness of one or more clauses does not impinge on the effectiveness of the contract as a whole. Invalid provisions should be dealt with in such a way as to permissibly achieve the intended purpose.