

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

I. Offer

Unless expressly agreed as binding, any drawings, samples, or technical data relative to an offer shall be considered as approximations only. Any documents handed over by UNGRICHT must not be made available to third parties.

II. Scope of Delivery

1. The scope and type of delivery shall be as stated in our written order confirmation. Other agreements (including oral ones) or any amendments shall only be valid with the express written approval of UNGRICHT. 2. The Ordering Party shall not be deemed to have acquired any rights to any tooling, foils, etc., even if he has made any prepayments in respect of same.

III. Prices and Payment

1. Unless any other arrangements have been made, prices shall be deemed ex works including loading in the factory but excluding packing. Prices shall be net of the current rate of VAT. 2. Payment is due on receipt of invoice without any cash discounts. Payments by draft (bill of exchange) or cheque shall only be considered effected when the draft or cheque has been cashed, whereby the Ordering Party shall bear all associated costs. Drafts are only acceptable with prior approval. 3. It shall not be possible to withhold any payments nor to offset any payments against any other payments in respect of any claims by the Ordering Party which UNGRICHT is contesting.

IV. Delivery Time

1. The delivery deadline shall be taken to have commenced as soon as the order confirmation is sent, however, not before the Ordering Party has supplied all relevant order documents, technical data, clearance (release) documents or, if agreed, a down payment. 2. The delivery date given by us is only approximate and shall be considered as met when the goods concerned have left the factory or when we have informed the Ordering Party that the goods are ready for dispatch. 3. If unforeseen circumstances arise which are beyond our control, then the delivery time shall be extended accordingly. This also applies to circumstances which arise at the place of a sub-supplier. Situations which can cause an extension to the delivery deadline include labour disputes (e.g. strikes or lockouts), disruptions to business operations, loss through waste, delays in the delivery of raw materials and supplies, inasmuch as these significantly affect the production or delivery of the goods. UNGRICHT cannot be held responsible for the above mentioned situations even if they occur during an existing delay. 4. If the Ordering Party can demonstrate that he has incurred a loss as a result of a delay for which UNGRICHT can be made responsible, then he shall be entitled to claim damages in respect of the delay, to the exclusion, however, of any other claims. The amount to be claimed shall be ½ % per full week up to a maximum of 5% of the value of that part of the scope of supply which because of the delay could not be used as per the agreed contract or which could not be used within the proper time period. 5. The contractual obligations regarding payment shall hold good even if the delivery is delayed at the request of the Ordering Party. Commencing one month after the goods have been declared ready for delivery, any storage costs incurred will be charged to the Ordering Party to the extent of at least ½ % of the invoice total per month.

V. Transfer of Risk and Acceptance of Goods

1. The risk shall transfer to the Ordering Party at the latest when the goods are dispatched, even if part deliveries are made, or even if UNGRICHT has taken over the costs of dispatch, delivery, or erection/installation. If requested to do so by the Ordering Party, UNGRICHT shall insure against the insurable risks at the Ordering Party's costs. 2. The Ordering Party is obliged to accept the goods so delivered even if they display minor faults/imperfections. 3. Part deliveries shall be possible.

VI. Ownership Rights

1. UNGRICHT shall retain the ownership rights to the goods supplied until all the payments stipulated in the Contract of Sale have been made. 2. If the goods concerned are for further sale on their own, or if they are incorporated into other machines and sold together with these, then, as a precaution, the Ordering Party shall hereby indemnify UNGRICHT in advance against all claims which may arise from the further sale and to the extent of any outstanding payment(s). 3. The Ordering Party is obliged to insure the goods. 4. The Ordering Party may not pawn the goods nor give them as security (collateral). 5. If the Ordering Party contravenes the terms of this contract, particularly in respect of payment, UNGRICHT shall be entitled to reclaim the goods after sending the Ordering Party the requisite payment reminders, and the Ordering Party shall be obliged to surrender same.

VII. Warranty

UNGRICHT shall be liable as follows for faulty goods, to the exclusion, however, of any further claims: 1. At the discretion of the Supplier (with a due sense of propriety) and subject to his choice, all those parts shall be repaired or re-supplied free of charge which within 6 months of delivery (3 months if the goods are used for multiple shift operation) become unusable, or if their use becomes seriously impaired, as a result of a situation pertaining before the transfer of risk – in particular due to faulty construction/design, poor materials or faulty execution/workmanship. Any such faults must be immediately reported to the Supplier in writing. Any parts replaced shall become the property of UNGRICHT. If the delivery, installation or start-up (commissioning) is delayed through no fault of the Supplier, then any liability shall cease to apply at the latest 12 months after transfer of risk. For major parts not produced by UNGRICHT, UNGRICHT shall be liable only to the extent of the assignment of

the liability claims which he has against the Supplier of the non-UNGRICHT part. 2. The right of the Ordering Party to claim for faults shall become time-barred in all cases 6 months after delivery. 3. No liability can be accepted in respect of damages which result from the following: Unsuitable or improper use, incorrect installation or start-up by the Ordering Party or a third party, natural wear and tear, faulty or negligent operation, unsuitable operating materials (fuels, lubricants, etc.), replacement materials, faulty work prior to installation (building work), unsuitable building ground, chemical, electrochemical or electrical factors, inasmuch as these are not the fault of the Supplier. 4. After consultation with the Supplier, the Ordering Party must allow the Supplier the required time and opportunity to carry out any repairs or replacement services considered necessary by the Supplier at the Supplier's discretion. Otherwise, the Supplier shall be released from any liability. Only in cases where there is a real danger that use of the goods may present a risk to health or safety or to prevent disproportionately large damages, - whereby the Supplier must be informed immediately in such a case - or if the Supplier is in default with the repair, does the Ordering Party have the right to carry out the repair himself or via a third party and to demand a refund of the costs from the Supplier. 5. Of the direct costs incurred as a result of the repair or replacement the Supplier shall bear – inasmuch as the claim turns out to be justified – the costs of the replacement part, including transport, and any reasonable costs in providing fitters and ancillary workers to carry out the work. Any other costs must be borne by the Ordering Party. 6. For the replacement part and the repair work the warranty period shall be 3 months. It shall, however, extend at least to the end of the original warranty period for the part concerned. The deadline for liability in respect of any faults concerning the supplied item shall be extended by the time during which the company operations had to be stopped to allow for the repair. 7. UNGRICHT can accept no liability in respect of any damages resulting from any improper modifications or commissioning work carried out by the Ordering Party or a third party without prior approval of UNGRICHT. 8. Any further claims of the Ordering Party, including damages not caused directly to the delivered item, shall be excluded. This exclusion does not apply in the case of deliberate or negligent action on the part of the company owner or senior staff. Neither does it apply if certain characteristics or features of the product, which have been expressly promised, are missing, if the promise was designed to safeguard the Ordering Party against damages not arising from the goods themselves.

VIII. Liability for Secondary Obligations

If, through the fault of UNGRICHT, the goods supplied cannot be used by the Ordering Party as per the contract, as a result of faulty performance, or work which has been omitted, arising from suggestions and consultations or other contractual secondary obligations occurring before or after contract finalisation, – in particular any instructions for operation and maintenance of the supplied item – then the rulings contained in sections VII and IX shall apply accordingly to the exclusion of any other claims.

IX. Right of Withdrawal

1. The Ordering Party can withdraw from the contract if the Supplier is definitely unable to supply the whole scope of performance before transfer of risk. The same thing shall apply if the Supplier proves incapable of carrying out the work. The Ordering Party may also withdraw from the contract if, when ordering more than one item of a similar nature, it proves impossible to deliver a part of these ordered items and he has a justifiable interest in refusing a part delivery. If this is not the case, then the Ordering Party shall be entitled to reduce his quid pro quo (his consideration) accordingly. 2. The Ordering Party shall also have the right to withdraw if the delivery deadline has passed without delivery as per section IV of the Delivery Terms and if the Ordering Party grants the respective Supplier a suitable deadline extension accompanied by the express statement that after this extension he will refuse to accept the performance and if the extension is then not adhered to. 3. If it proves impossible for the Supplier to supply during the extension to the deadline or through the fault of the Ordering Party, then the latter is obliged to affect payment. 4. The Ordering Party shall also be able to withdraw from the contract if the Supplier allows a suitable extension period to elapse through his own fault, this extension period having been granted to him to allow him to repair or replace a part in respect of a fault for which he is responsible as per the terms of delivery. The right of withdrawal of the Ordering Party shall also apply to other cases of a failure to repair or replace by the Supplier. 5. All further (knock-on) claims of the Ordering Party shall be excluded, in particular in respect of cancellation, termination or decrease of purchase value as well as replacement of damages of any kind, including damages which have not arisen directly to the supplied item.

X. Copyright (Trademark Rights)

The Ordering Party shall be obliged to check to see if there exist any rights of third parties in respect of the samples, drawings, or other documentation submitted by him. He must ensure that the use of such documents does not infringe any rights of any third parties. He must indemnify UNGRICHT from any claims arising from same.

XI. Place of Jurisdiction

The place of fulfilment and place of jurisdiction for all direct or indirect rights and obligations arising from this contract shall be Mönchengladbach.

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INTERNATIONAL

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