

GENERAL TERMS AND CONDITIONS

1. Acceptance of Terms and Conditions

- 1.1 All our deliveries and services, including those prospective, shall fully and exclusively be based on the following conditions, which also apply to compensation deals. The terms and conditions of our contractual partner shall not apply.
- 1.2 The terms and conditions of the contractual partner are hereby rejected. They will remain unapproved even if we fail to once again and explicitly object to them upon receipt.
- 1.3 Latest upon acceptance of our goods, our general terms and conditions shall be considered approved.

2. Contract Offer and Acceptance

- 2.1 Our offers are subject to change. Contracts and agreements will not be authentic or binding until an order is confirmed by us in writing or we have made the delivery. In the latter case, the bill replaces the order confirmation. Additions, amendments and ancillary agreements shall be binding only if supported by our written confirmation.
- 2.2 Invoices, illustrations, sizes, weights or other performance data in brochures, newsletters, price lists, or other publications in our offer and/or the related documents are relevant only in terms of approximation. They imply warranties, only if they have been specifically written as such by us.
- 2.3 As regards the documents accompanying the offer we retain and reserve our rights of their ownership, copyrights and other rights; they may be made available to a third party only upon obtaining our consent.
- 2.4 We reserve the right of making amendments and improvements in terms of design, materials used and the execution, provided the purpose of contract has not changed significantly and the changes proposed are not deemed unreasonable for the client.

3. Prices

- 3.1 Prices are in euros ex factory or warehouse, excluding packaging, freight, postage or insurance, which are charged additionally. VAT is added to the price.
- 3.2 For contracts and confirmed orders the prices indicated by us are valid for 6 months, thereafter on account of possible increase in wages and material costs, the prices may have been raised.
- 3.3 Travel time shall be considered part of working hours
- 3.4 Cost estimates are not binding.
- 3.5 Prices agreed for installations and assemblies do not include additional costs incurred due to overtime, nightshifts, work on Sundays and public holidays. These costs may also be calculated.

4. Payment and default

- 4.1 Unless in the order confirmation it is stated otherwise, the invoice amount shall be due to reach our pay office free of cost in cash without any deduction within 10 days from the date of invoice for payment.
- 4.2 At the time of assembly and fittings part payments may be required depending on the scope of work and performance. Part payments from the contract sum are net due each time 10 days from the date of invoice. Unless otherwise agreed the following applies:
 - 30% for confirmation of order
 - 30% at the start of assembling
 - 30% at the end of assembly
 Rest on commissioning or acceptance or measurements and final invoicing. In case there is a delay in commissioning, inspection or testing of measurements or invoice without our fault, a further part payment of 10% of the contract value shall be due 30 days after the end of mounting.
- 4.3 Bills are accepted only by prior arrangement and only on account of payment. Discount and bill charges plus VAT are calculated subject to the rates charged to the client by the commercial banks.
- 4.4 If the client is in default, or is unable to meet its payment obligations in any other way, say, for example, a check or bill bounces, we are entitled to cover all claims against the client without regard to any deferral agreements involving respite for bills brought in but not yet due and render them due for payment immediately. Moreover, we are entitled to execute outstanding deliveries or services only against advance payment or sureties provided by the clients.
- 4.5 Offsetting with a counterclaim is permissible only if the counterclaim is undisputed or legally enforceable. The assertion of a right of retention of goods is precluded, if the counterclaim is not anchored in the same contractual relationship.

5. Delivery period

- 5.1 The delivery period starts at the earliest from the day of the order confirmation, however not until the contractor hands over the requisite documentation, permits, clearances and also whatever advance deposits may have been agreed upon. Supply and manufacturing dates are valid subject to the unforeseen obstacles, such as force majeure, disruption of operations and the like, both in our operations as well as in case of our suppliers. If we exceed the agreed performance time by more than two weeks, the contractor shall give us afresh a reasonable deadline. Should the delivery from our side not be forthcoming within this grace period, the buyer, subject to the regulation under paragraph 8, has the right to cancel the unfulfilled portion of the contract.
- 5.2 On expiry of the grace period fixed earlier, client must declare the decision for cancellation in writing without delay.
- 5.3 Claims of the purchaser are barred in all cases of delayed delivery, even after the expiry of a grace period set us. This does not apply if we are legally liable in terms of intent or gross negligence on our part or on part of our agents.

6. Transfer of risk and Dispatch

- 6.1 The dispatch is made at the expense and risk of the client. The risk is transferred to the client at the time of goods being handed over to the carrier, but not later than when the product leaves our factory.
 - 6.2 Dispatch and packaging are elected. Transportation and all other packagings are not withdrawn as stipulated in the packaging regulations, pallets form exception. The buyer is obliged to dispose of packaging at its own expense.
 - 6.3 With the trial operation our delivery is complete. It will be considered accepted on expiry of 12 day term after a written communication on the completion of task, while in this communication the above term shall be especially brought to the client's notice.
- ### 7. Warranty
- 7.1 All supplies and services are to be investigated by clients immediately in terms of faults, completeness and contract identity.
 - 7.2 We have the right to fulfil our warranty obligation by repair or replacement. In case of non-performance in terms of repair or replacement, the client shall retain the right to demand reduction in payment or, if the client so prefers, to withdraw from the contract. In case of construction work the client shall not withdraw from the contract. We compensate for damages only if we or one of our performance agents are facing the charge of malafide intention or gross negligence; in the case of injury to life, body or health, we compensate for damages in each case. These terms limiting the scope of liability however do not apply to claims made on account of failure in terms of delivery or performance assured.
 - 7.3 For construction work, we take on the liability as per guidelines of VOB Part B. If works are concerned with objects, that imply neither the land nor buildings as defined in the Act, the warranty period shall always be twelve months. Moreover, unless the contract is specifically dealing with construction work, the warranty shall be valid for a period of twelve months.
 - 7.4 There is no warranty in the case of delivery of used goods or replacement parts.

8. Liability

- 8.1 In all cases where we are, divergent from the above conditions, liable for payment of the damages and reimbursement of losses, we compensate for damages only if we, our executives or performance agents are facing the charge of malafide intention or gross negligence or that of injury to life, body or health.
- 8.2 Without prejudice to the strict liability under the Product Liability Act, and without prejudice to the liability for culpable violation of essential contractual obligations, the liability is, however, limited to predictable, typical damages, except in the cases under item 1. A change in the burden of proof to the disadvantage of the client is not connected with the foregoing regulation.

9. Retention of ownership and security

- 9.1 The goods remain our property until full payment of the purchase price. In the case of current account the reservation of ownership functions as security of our net debt, even if the client has made payments on account of specially designated claims. If the client is an accredited merchant, the retention of title remains effective until full payment of the total liabilities arising from business transactions, including any contingent liabilities assumed in the interest of the client.
- 9.2 Processing or transformation of products delivered by us and still our property is always executed on our behalf without thereby causing liabilities for us. If our right of property expires due to confusion of goods, it is agreed at the outset that we proportionately acquire accession or co-ownership of the new thing, with the invoice value forming the basis for assessment.
- 9.3 Upon signing of contract the client abandons by way of security all his claims, including those derived from current account agreements on balance claims on account of sale, loading and processing or confusion of the goods supplied by us. This also applies to other claims against third parties which the client becomes liable to with reference to the product. We accept the assignment. The amount of the assignment is limited to the delivery value as per our invoice of goods delivered. In case of default the client is obliged to disclose the assignment on demand. In this case the client is obliged to provide us with the necessary information and documents. We are also entitled on our part to disclose the assignment of claims to the client's debtor in this case and to demand payment due to us.
- 9.4 The delivered goods shall not be pledged or otherwise transferred by way of security without our consent. If a third party tries to access the reserved goods, the client is obliged to point out that the goods are our property and to inform us immediately.
- 9.5 If the client behaves contrary to the contract, especially in the event of default, we are entitled to assert our ownership and demand the immediate delivery of the reserved goods. The assertion of our ownership does not mean withdrawal from the contract.
- 9.6 If the value of the security created by the client exceeds our claim in total by more than 20%, we shall be obliged to release securities as per the choice of the client.

10. Terms and conditions of erection

The client shall provide our fitters with a room that can be locked for storage of materials, tools and clothing free of charge.

11. Preparation of the site and work process

- 11.1 The client shall, unless agreed otherwise, transport all materials from the place of arrival and protect it carefully against weather conditions till our technical staff arrives.
- 11.2 The building of container pits and pipe trenches, embedding of containers in pits, foundations, openings, ducts, sewage facilities, feeder pipes and painting work are the responsibility of the client, unless such services are part of our contract, and therefore must be ready in time so that the technical staff can begin assembly work immediately on their arrival. In the case of rushing ground water, rain water or headwater the containers on site are to be secured against buoyancy. The necessary safeguards are to be provided by the client. We absolutely reject any liability on our part.
- 11.3 Early recall of the assembler or stay due to intervention of the client or the construction management will be on client's account. Providing heating, lighting and guarding the site, timely procurement of tools, equipment and consumables (steam, water, electricity, etc.) shall in any case be the responsibility of the client.
- 11.4 Choice on an insurance policy against such risks is left to the client. The materials received are to be passed on to the fitter without unpacking for the purpose of inventory control. For execution of the plant only our drawings and the instructions given to our fitter are decisive. Any exceptions to this, that may be wanted by the client will require our prior written approval.

12. Commissioning the plant

- 12.1 Our engineers are committed to conducting a thorough test immediately after the plant has been mounted and set up; they shall also properly demonstrate its operation. Thus, the takeover of the plant is considered complete. If for reasons for which we are not responsible the demonstration is scheduled for a later date, we shall be particularly compensated for expenses incurred on resending our technicians.
- 12.2 Both parties independently recognize the advantages of demo operation of plant or its official acceptance as proof of a proper execution of the plant, so that any deficiencies alleged later can in no case trigger claims with retrospective effect.
- 12.3 The commissioning of the plant implies its set up in line with the operating conditions as well as the training of operating staff. The procurement of materials and supplies for necessary tests shall be the responsibility of the client

13. Place of delivery and jurisdiction

- 13.1 Place of delivery or performance for all obligations under the contract is the headquarters of our company. The headquarters of our company shall be the place of jurisdiction, as long as the client is an accredited merchant, a legal person of public law or subject of special assets in public domain. However, we are also entitled to initiate court proceedings at the location of the headquarters of the purchaser. The contract is subject to German law.

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Registration office: District Court of Osnabrück,

Registration number HRB 20997

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