

General Conditions of Sale of JOST-Werke GmbH (As at September 2009)

**This English version of the General Terms and Conditions of Sale is only for translation purposes.
Only the German version is binding upon the Parties.**

§ 1 Scope of validity.

(1) These GCSs are in effect for all contracts between JOST-Werke GmbH and its customers, to which JOST-Werke GmbH provides deliveries or other services, in particular for sales contracts concerning the products of JOST-Werke GmbH.

(2) All offers, supplies and services of JOST-Werke GmbH will take place exclusively on the basis of the following terms of business in their respective current version. JOST-Werke GmbH acknowledges terms of business of customers that are contrary to or deviate from these general terms of business only when it agrees to their validity expressly and in writing. These terms of business are also in effect when the delivery or service is provided without reservations to the customer although JOST-Werke GmbH knows of the customer's terms of business which are contrary to or which deviate from JOST-Werke's terms of business.

(3) These business conditions are in effect in relation to contractors in accordance with § 14 BGB.

(4) These terms of business are in effect after they are first applied between the company JOST-Werke GmbH and the customer, even when they are not expressly repeated in future transactions.

§ 2 Offer and conclusion of contract.

(1) When there is no written agreement to the contrary, offers from JOST-Werke GmbH are non-binding and can subsequently be changed.

(2) Only an order from the customer represents a binding offer; JOST-Werke GmbH can accept such an order within two weeks by sending an order confirmation in text form or by delivering the goods that have been ordered.

(3) The delivery deadlines named by JOST-Werke GmbH in the order confirmation or in the contract are only estimated delivery information; these dates do not commit JOST-Werke GmbH unless JOST-Werke GmbH confirms a delivery date in the order confirmation by referring to the date in text form as "binding" or "fixed".

§ 3 Object of the service.

(1) The customer alone is responsible for the correctness and completeness of the order. This is valid in particular for information on specifica-

tions, classifications and standards in effect as well as information in relation to the requirements for the product in specific geographical areas.

(2) Drawings and technical information or documents forwarded by the customer are considered descriptive and, unless JOST-Werke GmbH specifically agrees to them, are not characteristics that JOST-Werke GmbH promises to deliver. They cannot be used a basis for claims against JOST-Werke GmbH, even when repeated deliveries are made.

(3) In the event the customer sells goods sold to it by JOST-Werke GmbH to its own customers, it does not have the right to make statements to its customers about the products of JOST-Werke GmbH that go beyond the statements that were made to it by JOST-Werke GmbH unless it first obtains written approval from JOST-Werke GmbH to do so.

(4) Test certificates that JOST-Werke GmbH draws up in accordance with EN 10204 at the customer's request serve exclusively to formally confirm the service that JOST-Werke GmbH provides to the customer. Without written agreement, these test certificates are not intended for the customer to use to prove performance to third parties. If there is no additional written agreement from JOST-Werke GmbH, such test certificates do not under any circumstances contain a guarantee or obligations that go beyond performance fulfilment.

(6) Information in brochures, prospectuses, catalogues and other advertising material do not represent any promises as to characteristics or any guarantee statements.

§ 4 Prices and payment conditions.

(1) All prices exclude sales tax. Sales tax will be identified separately in the respective legally binding form in the invoice.

(2) The price agreed in the contract is binding. Price increases can be made if and to the extent that when the service is provided, the price has increased due to a change in wage and material costs. If the price increase is 20% or more over the agreed price, the customer has the right to withdraw from the contract. This right must be exercised immediately after the increased price is communicated to them.

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§ 5 Set-off of counterclaims:

If the customer has a counterclaim against JOST-Werke GmbH, it can set this claim off against JOST-Werke's claims against it only if its counterclaim is ready for a legal decision or if it is acknowledged as valid by JOST-Werke GmbH or if it has been determined to be legally valid. For all other counterclaims the customer may have, it is not allowed to set them off against claims JOST-Werke GmbH has against them.

§ 6 Shipment/Passing of the risk.

(1) The risk of accidental destruction or accidental deterioration of the goods passes to the customer "ex works".

(2) Goods are packaged and shipped at the customer's expense. Shipments are guaranteed against transport damage or loss during transport at the customer's expense.

§ 7 Time of performance.

Binding or non-binding delivery dates agreed with JOST-Werke GmbH will be extended in the event of an occurrence after the contract is concluded if JOST-Werke GmbH is not responsible for it, if it is outside the company, unavoidable and unusual, such as in particular with the effect of elemental natural forces, ("acts of God"), war, lock-out, strike or civil commotion for the duration of the delay. If the delay extends to a time period of more than four months after the agreed delivery date, the customer is entitled to withdraw from the contract after giving an appropriate additional period of notice of two weeks. Services already performed will be reimbursed. If JOST-Werke GmbH's own supply fails to materialise, is not correct or not on time, JOST-Werke GmbH is entitled to withdraw from the contract.

§ 8 Liability for defects.

(1) The liability of JOST-Werke GmbH for defects assumes that the customer has fulfilled its obligations to investigate and to reprimand in accordance with § 377 HGB.

(2) If the customer has submitted a letter of complaint within the stated period, and there is a defect according to the legal regulations, the customer can first demand a replacement from JOST-Werke GmbH. If that fails the customer can

either withdraw from the contract, reduce the purchase price or request compensation. If the customer demands a replacement, JOST-Werke GmbH can choose either to replace the object by eliminating the defect or to deliver a new object that is not defective.

(3) Claims of the customer due to defects lapse within one year from delivery of the object that is purchased. The limitation of claims for recourse of the customer against JOST-Werke GmbH due to claims of a consumer or an entrepreneur in the entrepreneurial chain, at the end of which a consumer stands as purchaser, against the customer due to a defect in a newly manufactured object in accordance with §§ 478, 479 BGB ("contractor recourse"), remains unaffected. They are covered by the legal regulations.

§ 9 Liability for damages.

(1) JOST-Werke GmbH's liability for damages is limited to intention or gross negligence as well as to damages that can typically be foreseen in a contract. This is true for action by representatives or fulfilment helpers of JOST-Werke GmbH as well.

(2) The limitation of liability to intention or gross negligence does not apply to infringement against so-called essential contractual duties (duties whose fulfilment enables the orderly execution of the contract, and which the contractual partner can regularly be confident will be fulfilled. Such obligations include, for example, the obligation to supply products that are free of defects), to infringement against the obligation not to risk life, bodily injury and/or damage to health; or compulsory liability in accordance with product liability law.

§ 10 Reservation of proprietary rights.

(1) The goods supplied by JOST-Werke GmbH to the customer remain the property of JOST-Werke GmbH until all claims that result from the contractual relationship are paid in full. The goods delivered as well as the goods representing them that are covered under reservation of proprietary rights are called reserved goods hereinafter. When the purchaser is a merchant in the sense of HGB, JOST-Werke GmbH also retains the ownership of all objects delivered until it has received all payments due from the customer.

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(2) The customer shall keep the reserved goods free of charge for JOST-Werke GmbH. The customer is obliged to handle the goods carefully and to insure them at its own expense against theft, fire, storm, water and elementary damage, as long as ownership has not yet been handed over to him. The customer must carry out required maintenance and inspection works on the reserved goods at its own expense and in a timely fashion.

(3) The purchaser is entitled to process and dispose of the reserved goods until the onset of an enforcement event (Para. 7) in business according to the regulations. It is not allowed to mortgage or transfer ownership of the reserved goods to secure its own debts.

(4) If the reserved goods are processed by the customer, it is agreed that the processing takes place in the name of and on behalf of JOST-Werke GmbH as manufacturer. JOST-Werke GmbH acquires ownership directly or it acquires co-ownership (part ownership) if the processing takes place with materials from several owners or if the value of the processed objects is higher than the value of the reserved goods. Co-ownership of the newly created objects is calculated according to the ratio of the value of the reserved goods to the value of the newly created objects. In the event that no such acquiring of ownership should occur at JOST-Werke GmbH, the customer now transfers its future ownership or co-ownership (in the ratio mentioned above) in the newly created objects for security to JOST-Werke GmbH. If the reserved goods are combined with other objects to make up a single object or mixed inseparably, and if one of the other objects must be considered the main object, then, to the extent that the main object belongs to it, the customer transfers to JOST-Werke GmbH proportionally the co-ownership of the single object in the ratio mentioned in sentence 3.

(5) If the reserved goods are re-sold, to be safe the customer now transfers the claim against the purchaser arising from this to JOST-Werke GmbH. If there is co-ownership in the reserved goods it transfers JOST-Werke GmbH's co-ownership share calculated proportionally to JOST-Werke GmbH. The same is true for other claims that arise in place of the reserved goods or otherwise in relation to the reserved goods. In

accordance with this in particular claims from changes that are connected with claims from the further disposal of our property (change of customer) are ceded. JOST-Werke GmbH is authorised to require the recovery or endorsement by the customer. Furthermore, claims to insurance or claims from unauthorised business with the loss or destruction of the reserved goods are ceded.

(6) If third parties access the reserved goods, in particular through seizure, the customer shall immediately inform them that JOST-Werke GmbH owns the reserved goods, and shall inform JOST-Werke GmbH about it, in order to enable JOST-Werke GmbH to assert its right of ownership. If the third party is not in a position to reimburse JOST-Werke GmbH for the legal or extra-legal costs arising in this connection, the customer is responsible for reimbursing JOST-Werke GmbH.

(7) If JOST-Werke GmbH withdraws from the contract due to a breach of contract by the customer in relation to the reserved goods, in particular due to payment arrears (enforcement event), JOST-Werke GmbH is entitled to demand that the customer return the reserved goods.

(8) To the extent that the protection rights that JOST-Werke GmbH is entitled to in accordance with the regulations above are more than 20% higher than the purchase price of all the reserved goods that have not yet been paid for, then JOST-Werke GmbH is obliged at the supplier's request to release the protection rights at the choice of JOST-Werke GmbH.

§12 Confidentiality.

(1) The customer is obliged to handle knowledge and information from the business relationship with JOST-Werke GmbH as confidential. This is true in particular for knowledge regarding know-how and finishing methods and procedures of JOST-Werke GmbH, if it audits this information or includes it in the development of its products.

(2) The customer must impose this obligation as its own in writing on third parties included by it, regardless of what legal relationship it has with them, and must prove this to JOST-Werke GmbH at its request.

(3) The obligation to maintain confidentiality remains in effect beyond the ending of the business relationships.

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§ 13 Court of jurisdiction.

For merchants, legal entities under public law or special (Federal) funds under public law, the court of jurisdiction for all disputes arising from or in connection with this contractual relationship is the court responsible for the place of business of JOST-Werke GmbH.

§ 14 Applicable law.

This contract and all the legal relationships of the parties are subject to the law of the Federal Republic of Germany, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG), including when the customer has its place of business abroad.