

General Terms and Conditions of Trade

of the company

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As of 04/05

I. General Aspects

1. Deliveries, services and offers are exclusively made on the basis of the following conditions. These also have validity for all future business relationships even if they are not explicitly agreed to once more at a later date. The conditions are deemed to have been accepted upon receipt of the goods or services at the latest. Counter-confirmations by the ordering party which refer to his terms and conditions of business or his conditions of purchase respectively are hereby contradicted.

Our conditions of sale (general terms and conditions of trade) also have validity if we deliver to the ordering party without reservation although we are aware that the ordering party has deviating conditions.

2. All agreements concluded by us and the ordering party for the purpose of the execution of this contract are to be recorded in writing.
3. In accordance with the provisions of the Federal Data Protection Act, we provide the instruction that we process and store the personal data which is required for the handling of the business relationships with the assistance of electronic data processing. This information will only be passed on within the company.

II. Offer and Contractual Conclusion

1. Our offers are subject to change without notice and are non-binding. Declarations of acceptance and all orders require our written or fax confirmation. This is also the case with regard to supplements, amendments or collateral agreements.
2. Drawings, illustrations, dimensions, weights or other performance data are only binding if this has been expressly agreed to in writing. They are only decisive as an approximation, this especially being the case in our offers and the corresponding documents.
3. We reserve the right to make alterations and improvements with regard to the design, use of material and the execution, if and in as far the delivered object is not altered to a great extent and the alteration can be reasonably accepted by the ordering party.

4. We reserve the title, copyright and other rights in documents which form a constituent part of the offer such as drawings, illustrations, calculations, specifications, data sheets, samples, etc. and which have been prepared by us or a third party commissioned by us: third parties are only to gain access thereto if we have provided express written approval to them being passed on. This is also the case with regard to written documents which we have designated as being "confidential".

Our sales employees are not authorised to conclude oral collateral agreements or to make oral promises which go over and above the written agreement.

III. Prices

1. Should nothing to the contrary be stipulated, we are bound by the prices stated in our offers for a period of 30 from the date of the offer. In all other cases, the prices stated our confirmation of order have validity net of the statutory rate of value added tax.

Additional deliveries and services are invoiced separately.

2. Should nothing to the contrary be expressly agreed to in writing, the prices are deemed to be ex works excluding packaging and insurance. Packaging and insurance will be invoiced separately.
3. Estimates will be prepared by us as accurately as possible but they are non-binding. Invoicing is carried out on the basis of the actual costs.
4. The stipulated prices are based on the commodity prices having validity at the time the offer is made.

IV. Conditions of Payment

1. Should nothing to the contrary be agreed to in writing, payments are to be made immediately in cash without any deductions whatsoever and free our paying office. All payments are to be exclusively made to us in the currency which is the legal tender in the Federal Republic of Germany.

The deduction of a discount for prompt payment necessitates a separate written agreement.

2. In the case of a default of payment, the customer is to pay us default interest amounting to 8% above the corresponding basic interest rate or the equivalent rate of the European Central Bank. The right is reserved to assert an additional claim for compensation for default damage.
3. Should we become aware of situations which cast a doubt on the creditworthiness of the ordering party, this especially being the case if a cheque is not honoured and/or he does not adhere to the conditions of payment or ceases to make payments or we gain knowledge of other circumstances which question the creditworthiness, we are entitled to determine that the remaining debt is due for payment even if we have accepted cheques. In this case, we are also entitled to demand advance payments or the provision of security; we are also entitled to repudiate the contract after fixing a final deadline or demand compensation for non-performance.
4. The ordering party is only entitled to set-off, retain or diminish payments on the grounds of the notifying of defects or the assertion of a counter-claim if the counter-claims have been finally and conclusively determined by a court of law or are not in dispute.
5. We have the right to initially take payments made by the ordering party into account in settlement of his older debts, irrespective of any contrary ordering party conditions; we shall inform the ordering party of how the payment has been set-off. Should costs and interest already have been incurred, we are entitled to initially take the payments into account in settlement of the costs, then the interest and then the principal service last of all.
6. A payment is deemed to have been made when we have access to the amount paid. In the case of cheques, the payment is only deemed to have been made after the cheque has been cashed.
5. We assume no responsibility for delivery and performance delays resulting from a force majeure and events which render performances or delays fundamentally impaired or impossible for periods which cannot be deemed to be of a temporary nature (this especially including strikes, lock-outs, official orders, etc.), even if such should be suffered by our suppliers or their suppliers, the foregoing also having validity with regard to periods and dates which have been agreed to as being binding. They entitle us to either postpone the delivery or performance for the duration of the hindrance with an additional start-up period, or to repudiate the contract in part with regard to the non-performed part.

If the impairment should last longer than 3 months, the ordering party has the right to repudiate the contract with regard to the non-performed part after having fixed a reasonable deadline. A prolongation of the delivery time or a release of ourselves from our obligations does not entitle the ordering party to claim compensation. We shall inform the ordering party of the commencement and termination of such impairments subject to a reasonable period of notice.

6. No claims for compensation can be asserted on the grounds of a delay, irrespective of the legal basis, the exception being if we should be held responsible for intent or gross negligence.
7. Should the shipment be delayed upon request of the ordering party, he will be invoiced with the storage costs commencing 1 month after notification has been made of the readiness for shipment. Should storage be carried out in the works, the minimum payment due will be 0.5% of the invoiced amount for each month. We are also entitled to dispense with the delivery item as we see fit after fixing a reasonable deadline which is not met and to delivering to the ordering party within extended periods of delivery.

The adherence to all periods of delivery necessitates the fulfilment of the ordering party's contractual duties.

V. Times of Delivery

1. Dates or periods of delivery which can be either agreed to as being binding or non-binding, require the written form.
2. The period of delivery commences with the sending of the confirmation of order, but not before clarification of all details of the order, the clarification of all of the technical aspects and the production of the documents, approvals and releases which are to be obtained by the ordering party, in addition to the receipt of an agreed deposit.
3. The adherence to our delivery obligation also necessitates the punctual and correct fulfilment of the ordering party's duties. The plea of a non-performance of the contract is reserved.
4. The period of delivery is deemed to have been adhered to if the delivered item has left the works or notification has been made of the readiness for shipment prior to its expiry.

8. We are at all times entitled to make partial deliveries and provide partial performances, the exception being of the partial delivery or partial performance is of no interest for the ordering party.
9. Should the ordering party be in default in taking delivery, we are entitled to demand compensation for the damages incurred by ourselves; the risks of accidental deterioration and accidental loss are passed to the ordering party upon occurrence of the default in taking delivery.

VI. Passing of the Risk and Acceptance

1. The risk passes to the ordering party as soon as the shipment has been handed to the person carrying out the transport or it has left our warehouse for shipment.

2. Should the shipment be delayed as a consequence of a situation for which the ordering party is responsible, the risk passes to him on the date of the readiness for shipment; we do however have a duty to taking out the insurance requested by the ordering party, he being responsible for bearing the costs incurred.
3. The ordering party is to accept shipped objects even if they include slight defects, this notwithstanding the rights from Section IX.
4. Partial deliveries are permissible.

VII. Reservation of Title and Other Security

1. The goods remain our property until such time as the purchase price has been paid in full, in the case of the ordering party being a fully qualified businessman, this having validity until such time as he has fully settled the total liabilities arising from the business relationship. This is also the case if payments are made against specially designated claims. The inclusion of individual claims in an open account has no effect on our reservation. Payment is only deemed to have been made upon receipt of the countervalue by ourselves.
2. A processing or conversion of goods delivered by us which are still our property is always carried out in our commission, without this founding a duty for us. Should our property be deleted as a result of it being joined to other objects, it is already agreed that the co-ownership of the resulting item is transferred to us in the proportion of the value (invoice value). The ordering party stores our co-owned item for us free of charge, he also treating it with commercial care. The resulting co-ownership rights are deemed to be reserved goods within the meaning of clause 1.
3. The ordering party already assigns all claims to which he is entitled, including balance claims from current account agreements resulting from a sale, processing and machining or joining of the goods supplied by us to us by way of security. This also has validity for claims of the ordering party founded on other legal grounds (insurance, actionable torts, etc.) with regard to the reserved goods. The value of the assignment is restricted to the delivery value stipulated in the invoice for the goods delivered by us. The ordering party hereby also assigns the security rights he has against his customers to us in the proportion of the value of the claims and rights assigned to us in the scope of the extended reservation of proprietary rights; should this not be possible, the ordering party enables us to proportionally participate in the relation inter se. The foregoing does not necessitate an additional agreement. We accept the assignment. This serves as security to the same extent as the reserved goods. The ordering party is authorised to recover the assigned claim as long as he meets his payment obligations towards us as stipulated in the contract. As long as our claims are due, He is to transfer the payments recovered for us in as far as our claims are due. When requested

to do so, the ordering party is to inform the third part of the assignment in writing and we are entitled to demand information from the customers at all times which we require to assert our claims.

4. The ordering party is only entitled to process and sell the reserved goods in the ordinary course of business and in accordance with his normal terms and conditions of trade and as long as he is not in default, the requirement being that the claims are assigned to us as described. The ordering party has no other powers of disposal with regard to the reserved goods. The goods are especially neither to be pledged nor transferred by way of security. In the case of access to the reserved goods by third parties, especially in the case of pledging, the ordering party is to refer to our ownership, inform us without delay and provide us with all of the assistance which is necessary to ensure that our rights are safeguarded.

The ordering party is to assume liability for the reimbursement of our court or out of court costs should the third party be unable to do so.

5. In the case of the ordering party being in breach of the contract (especially payment default), we are entitled to repudiate the contract and/or assert our reservation of title and demand the immediate return of the reserved goods and to secure direct possession of these by ourselves or an attorney in fact or where appropriate, demand an assignment of the ordering party's claim for possession against a third party. The assertion of the reservation of title is not deemed to be a repudiation of the contract.
6. If the value of the existing securities should exceed our claim by more than 20%, we have a duty in this regard to releasing securities to be selected by ourselves when requested to do so by the ordering party.

VIII. Liability for Defects

1. The assertion of warranty claims by the ordering party have a prerequisite that he has correctly met his examination and complaint obligations pursuant to Section 377 HGB (German civil code).
2. We only assume liability for the usability of the item for a particular purpose by the ordering party if we have agreed to this in writing after corresponding determination. This has no effect on the ordering party's duty to subject the item to tests and experiments pertaining to the usability prior to commencing with the processing.
3. In the case of a defective performance, the ordering party only has a claim for subsequent fulfilment (remedying of the defect within a reasonable period of time or a subsequent delivery which is free from defects). The ordering party is only entitled to additional statutory rights (repudiation or diminution, compensation or a reimbursement of expenses)

if the subsequent fulfilment is unsuccessful or cannot be reasonably expected. The same has validity if we seriously and finally refuse the subsequent fulfilment, the exception being if we refuse due to the fact that the subsequent fulfilment would incur unreasonable costs. A subsequent fulfilment is deemed to have not succeeded if we have made two attempts at subsequent fulfilment without success.

4. Our guarantee is not valid for defects of quality or damage which are incurred as a result of excess stress, moisture, high room temperatures, other temperature and climatic influences or unsuitable or incorrect handling after the passing of the risk to the ordering party.
5. A repudiation on the grounds of a performance not being in accordance with the contract is excluded if the breach of duty is irrelevant or the ordering party is solely or to a great extent responsible for the situation which would entitle him to repudiate.
6. We assume liability in accordance with the statutory provisions if the ordering party should assert claims for intent or gross negligence. If we should not be accused of the committing of a breach of contract with intent, the liability for compensation is limited to the foreseeable and typical damages.
7. We assume liability in accordance with the statutory provisions if we culpably breach a cardinal contractual duty; in this case however the liability for compensation is limited to the foreseeable and typical damages.
8. This has no effect on liability on the grounds of death, injury or health impairments resulting from negligence.
9. Liability is excluded should nothing to the contrary be stipulated above.
10. The period of limitation for warranty claims expires 12 months after the passing of the risk.

IX. Total Liability

1. A liability for compensation over and above that stipulated in Clause VIII is excluded, notwithstanding the legal nature of the asserted claim. This is especially the case with regard to claims for compensation on the grounds of fault upon the conclusion of the contract, on the grounds of miscellaneous breaches of duty or on the grounds of tortious claims for compensation for property damage pursuant to Section 823 BGB (German civil code).
2. The restriction in clause 1. also has validity if the ordering party asserts a claim for compensation for useless expenditure instead of for the performance.
3. Should the compensation liability be excluded or restricted towards us, this also has validity with regard to the personal liability for compensation on the part of our salaried

employees, employed persons, staff, representatives and vicarious agents.

IX. Copyright

The ordering party assumes liability for ensuring that orders which are completed by us on the basis of samples or execution descriptions supplied by him are free from third party industrial property rights and copyrights.

In this regard, the ordering party is to exempt us from all third party claims. Should any such claims be asserted, we are entitled to demand compensation for the resulting damage.

X. Jurisdictional Venue and Valid Litigation

1. With regard to all disputes arising from the contractual relationship, a suit is to be filed at the court which has jurisdiction for our legal domicile if the ordering party is a fully qualified businessman, a public-law corporation or an asset under public law. We are also entitled to file a suit at the customer's head office location.
2. The law of the Federal Republic of Germany has exclusive validity for all agreements and official acts as a manifestation of will, the exception being that stipulated in Clause 3.
3. The applicability of the standardised sales law is excluded, as is the General Terms and Conditions of Trade Act with regard to foreign trade.

If the validity of the UN sales convention should be agreed to in individual cases, this requires written confirmation and only has validity for contracts which have a foreign connection.

4. In order for them to be valid, collateral agreements, reservations, amendments or supplements to this contract including these conditions require our written confirmation in order for them to be valid. This is also the case with regard to an agreement made to amend these conditions.

X. Escape Clause

Should a provision in these conditions be invalid in part or as whole now or in the future due to actions taken by the legislator or an amendment of the legislation, this has no effect on the validity of the remaining conditions. It is already agreed that the parties will attempt to find a ruling which comes as close as possible to that intended by the invalid provision.