

General Terms and Conditions

for sale-purchase and delivery of goods agreements by the "J&W company Stollenwerk OHG" company

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§ 1 Scope of Application, Subject Matter

1.)

These General Terms and Conditions (hereinafter referred to as "GTC") of the "J & W company «Stollenwerk» OHG" company (hereinafter referred to as "Stollenwerk") apply to all legal relations which arise under sale-purchase and delivery of goods agreements entered into by the "Stollenwerk" company with its contract partners (hereinafter referred to as "Customers" or "Clients").

2.)

The GTC shall have the exclusive application. The terms and conditions of the Customer which are different from or contradictory to these GTC shall not be accepted by "Stollenwerk" company unless "Stollenwerk" company has expressed its explicit sent with them in writing. The same shall apply if "Stollenwerk" company does not express its conclusive disagreement with GTC of the Customer. By now the "Stollenwerk" company expresses herewith its conclusive disagreement with the general terms and conditions of the Customer, even though they have been submitted to the "Stollenwerk" company along with a written confirmation. These GTC are also effective in case of unconditional delivery of the ordered goods by the "Stollenwerk" company even though it was known to the "Stollenwerk" company about contradictions or differences of the Customer's terms and conditions from these GTC.

3.)

These GTC are deemed to be accepted by the Customer unless the Customer has expressed his objections to these GTC.

These GTC are also effective in relation to all agreements which may be entered in future.

Alterations or addenda to these GTC, as well as parole additional agreements or any other arrangements between "Stollenwerk" company and the Customer which are contradictory to these GTC shall be made in written. Other written arrangements shall prevail and have precedence over these GTC.

§ 2 Prices and Payment Terms

1.)

The price indicated in the respective agreement shall be the determinative price. All prices are given net without VAT set forth by the applicable legislation that shall be indicated in the invoice individually at the rate effective as of the date of the invoice and shall be subject to additional payment.

All prices shall be construed as Ex-Work prices (in accordance with Incoterms 2010) unless otherwise agreed upon for each specific case.

The goods are principally delivered at the agreed price. However, if the retail prices or costs of services of third parties participating in the delivery increase prior to the delivery date, the agreed price may be reconsidered and increased. In case the agreed price is increased by 20% (twenty) percent or more, the Customer is entitled to repudiate the signed agreement by forwarding to "Stollenwerk" company a respective notice hereof immediately after reception of the information about such increase of the

agreed price from "Stollenwerk" company.

The costs of third parties services, i.e. related to issuance / obtainment of certificates of origin, notarization, legalization and apostillation of the documents by governmental authorities, institutions (i.e. CCI), consulates etc. are to be indicated by "Stollenwerk" company in individual invoices which are to be paid by the Customer additionally.

2.)

In case of domestic transactions the amount of invoice is to be paid in full in cash or by bank transfer onto one of the accounts of "Stollenwerk" company immediately after reception of the invoice, unless otherwise is agreed upon in writing for each specific case.

In case of foreign trade transactions the payment terms and conditions are to be agreed upon individually in writing for each specific case.

The payment is to be made in Euro.

3.)

The payment shall be made not later than as of the set date without any deductions, fees or commissions onto one of the accounts of "Stollenwerk" company.

In case of payment by cheque the Customer is deemed to have fulfilled his obligations only after the account of the "Stollenwerk" company has been credited with the respective amount due. The promissory notes (less the discount) may be accepted only in case such form of payment has been priorly agreed upon in writing. In case of payment with promissory note the Customer is deemed to have fulfilled his obligations only when the "Stollenwerk" company is able to dispose of the respective amount.

The day of crediting the account of "Stollenwerk" company with the respective funds shall be deemed as the payment date.

In case of a delay in payments by the Customer the latter undertakes to pay a fee in the amount of the CB discount rate plus 8%.

In case "Stollenwerk" company has proved that the damage to "Stollenwerk" company caused through a delay in payments by the Customer has a higher amount the "Stollenwerk" company is entitled to require a compensation of such damage.

4.)

Regardless other conditions of the Customer the "Stollenwerk" company is entitled to use the amounts received from the Customer first to cover the incurred costs including the legal costs, then to pay the interests, and after all to repay the debt. If several debts are pending the oldest debt is to be repaid first.

5.)

In case of a delayed payment by the Customer, noting of the promissory note or cheque and any other material worsening of his financial situation, the "Stollenwerk" company is entitled to demand from the Customer on immediate repayment of all current debts if it is legally permissible. In such case the "Stollenwerk" company is not obliged any more to make any supplies to the Customer, unless the Customer makes a pre-payment for short- delivered goods or provides guarantees which the "Stollenwerk" company accepts in writing.

6.) After expiration of a reasonable additional time-period set forth by “Stollenwerk” company, the “Stollenwerk” company is entitled to repudiate the signed agreement and/or require from the Customer to compensate the losses incurred through non-performance of the obligations by the latter.

7.) The Customer is entitled to set off the demands of the “Stollenwerk” company with its counter-demand only in case the Counter-demand of the Customer is legally indisputable or accepted by “Stollenwerk” in writing. The Customer is entitled to withdraw from performance of its obligations under the agreement prior to performance of the obligations by “Stollenwerk” company only in case the counter-demand arises from the same agreement and is legally indisputable or accepted by “Stollenwerk” company in writing.

8.) The period of limitation of demands of “Stollenwerk” company referring to payment for goods supplied to the Customer shall be 5 (five) years as distinct from § 195 CC. The commencement date of the limitation period shall be defined in accordance with § 199 CC.

9.) The representatives of “Stollenwerk” company, carriers etc. are entitled to accept payments only in case they have a written power of attorney duly issued by “Stollenwerk” company.

§ 3 Quotation, Signature of the Agreement, Documents Related to the Quotation

1.) Quotations submitted by “Stollenwerk” company are always non-binding. The “Stollenwerk” company considers as non-binding all documents such as prospects, pictures, descriptions, info of the materials, weight specifications, samples of goods and colours handed over by “Stollenwerk” company to the Customer.

2.) Confirmation of order acceptance by “Stollenwerk” company is legally binding if it is executed in writing.

3.) The order sent by the Customer to “Stollenwerk” company is a binding offer which “Stollenwerk” company may accept within two weeks by forwarding to the Customer a confirmation of order acceptance or shipment of the ordered goods.

4.) The “Stollenwerk” company reserves all property rights and copy rights to images, drawings, calculations, formulas and other documents and know-hows. The same shall apply to the documents and information, which have the confidentiality status. No transfer of such documents to third parties is allowed without prior written consent of “Stollenwerk” company.

5.) The “Stollenwerk” company reserves the right to make technical changes in goods at any time to make them state-of-the-art compliant. This right may be executed by “Stollenwerk” even after signature of this Agreement.

6.) The “Stollenwerk” company is entitled to transfer its rights and/or obligations under the agreement signed with the Customer to third parties. The Customer is entitled to transfer its rights and/or obligations under the agreement signed with the “Stollenwerk” company to third parties only upon prior written consent of the “Stollenwerk” company.

§ 4 Delivery and Distribution of Risks

1.) Terms of delivery specified by “Stollenwerk” company are not binding unless otherwise agreed upon in the respective agreement.

2.) Shipment and transportation of the goods including ex-works collection shall be made on the account and at risk of the Customer. All risks pass to the Customer upon transfer of the goods to the forwarder, carrier or the Customer. The risks also pass to the Customer in case of late shipment of the goods through a fault of the Customer. In

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case of a delay in acceptance of the goods, the goods are to be placed to a warehouse for further storage on the account and at risk of the Customer.

The “Stollenwerk” company is not obliged to make shipment of the goods in the most efficient way. The transportation insurance agreement may be entered into only on the instruction and on the account of the Customer.

3.) The transport package, i.e. pallets, crates etc. are subject to immediate exchange to the transport package of similar kind and quality. The “Stollenwerk” company is entitled to issue an invoice to the Customer in accordance with the value of such transport package unless the Customer complies with the above mentioned requirement.

4.) The delivery shall be made on ex-works in accordance with Incoterms 2010 basis unless otherwise agreed upon in writing.

5.) The agreed delivery terms shall be extended for the period of delay in performance of the obligations by the Customer towards the “Stollenwerk” company.

6.) Furthermore, the agreed delivery terms shall be respectively extended / the “Stollenwerk” company is released from its obligations to supply goods in case of force-majeure circumstances for the period of force-majeure circumstances which are beyond control of “Stollenwerk” company, i.e. force-majeure circumstances which include inter alia: operation failures, strikes, lockout, interruptions and/or delays in procurement of materials, transportation problems, malfunctions and breakdown of the equipment, extreme frost, drought, bad harvest and crop failure, fire, flood, earthquakes and other natural disasters, normative acts of the governmental authorities, export and/or import sanctions, civil wars, solemn and unsolemn hostilities, boycotts etc., for a period not less than the period when such force-majeure circumstances remain in force plus a time-period required to remedy the effects of force-majeure. In particularly important cases “Stollenwerk” company undertakes to inform the Customer about the commencement and the end date of the above mentioned circumstances in question as soon as possible.

The same applies to the cases of non-performance or delayed performance or unduly performance of the obligations by subcontractors, manufacturers of raw materials etc. The Customer has expressly acknowledged herewith the dependence of “Stollenwerk” company on the above mentioned circumstances and situation on the raw materials market. The delivery which volume differs from the agreed volume by 10% or less shall be considered as compliant with terms and conditions of the agreement.

In case of bad harvest or crop failure the “Stollenwerk” company is entitled to reconsider at own discretion the terms and conditions of the agreement related to the amount and quality of the goods taking into account the actual harvest results. Furthermore, the “Stollenwerk” company is entitled in such case to use the available deposits which remain after previous harvests for performance of obligations under agreement. In the above mentioned cases any liability of “Stollenwerk” company shall be excluded.

In case the Customer and “Stollenwerk” company fail to come to an agreement upon scope of bad harvest and the related short delivery the dispute shall be subject to resolution of the competent arbitration court with the territorial jurisdiction, i.e. the Arbitration Court of three arbitrators at CCI in accordance with the address of “Stollenwerk” company. Each party is entitled to appoint one arbitrator. The chairman of arbitration panel shall be appointed by CCI. The arbitration proceedings shall be in compliance with the Rules of German arbitration association with application of CPC norms. The payment claims of “Stollenwerk” company are expressly excluded from this arbitration clause.

7.) The “Stollenwerk” company is entitled to supply the ordered goods with several individual shipments.

8.) In case of a delay in delivery of the goods by “Stollenwerk” company the Customer is entitled to grant an additional reasonable period of time for “Stollenwerk” company by forwarding a written notice hereof with indication of possible consequences of arrears. In case of expiration of this additional term without results the Customer is entitled to repudiate the signed agreement.

9.)

In case of a damage caused to the Customer due to a delay in performance of the obligations by "Stollenwerk" company, the Customer is entitled to demand on compensation in the amount set forth in §7 of these GTC provided that the Customer has duly performed all its obligations under the agreement.

10.)

The Customer undertakes to purchase goods from "Stollenwerk" company in equal lots in accordance with the signed agreement.

In case the Customer fails to comply with this obligation, or if the Customer delays in acceptance of goods or in case of a breach of other obligations under the agreement by the Customer, the "Stollenwerk" company is entitled to demand from the Customer on compensation of losses, i.e. related to impossibility to sale the remaining amounts of goods, warehousing of the remaining goods etc., including additional costs. In such case the risk of accidental loss and/or accidental damage to goods shall pass to the Customer upon delay in acceptance of the goods.

In the above mentioned cases the Customer is not entitled to refer to the minimum storage terms and/or to the almost or fully expired term of the agreement.

11.)

The "Stollenwerk" company generally delivers the goods on EXW- basis in accordance with Incoterms 2010 (the goods are handed over to the buyer at the production plant of the seller or in other agreed place, not loaded on the transportation vehicle). If the delivery is made by using the transportation vehicles owned by "Stollenwerk" company, first the provisions of the agreement entered into by the parties shall apply, then these GTC and additionally - the actual version of Terms and Conditions of German Carriers and Freight Forwarders.

§ 5 Reservation of Title

1.)

The "Stollenwerk" company reserves the right of ownership to all delivered goods (Conditionally sold goods) until its full payment inter alia onto the book account. The Customer is not entitled to hand over the goods to third parties as a collateral or security.

2.)

If the goods are seized or if any other sanctions are applied to third parties the Customer undertakes to immediately inform "Stollenwerk" company hereof in writing and to inform the third parties of the rights of "Stollenwerk" company. In case the third parties fail to compensate to "Stollenwerk" company the incurred legal costs and costs of out-of-courts remedies to protect its rights to the goods (§ 771 CPC), the above mentioned costs shall be compensated by the Customer.

3.)

No obligations of "Stollenwerk" company arise when the Customer processes or reprocesses the goods delivered by "Stollenwerk" company which acts as a manufacturer as specified by § 950 CC. The processed or reprocessed goods are considered as Conditionally sold goods. When processing, combining or mixing the Conditionally sold goods by the Customer or its actors with other goods not owned by "Stollenwerk" company, the "Stollenwerk" company has a right to a part of the common title to the new goods which is to be specified following the relation between the value of the Conditionally sold goods and the value of other goods used to create the new goods.

4.)

In case the right of ownership of "Stollenwerk" company to the Conditionally sold goods ceases due to the above mentioned processing, combining or mixing, by now the Customer has already transferred the right of ownership to the new goods to the "Stollenwerk" company to the extent of the value of the Conditionally sold goods, and the Customer undertakes to ensure its safe custody to the benefit of "Stollenwerk" company. The right of common ownership which arose as a result shall be considered as Conditionally sold goods.

5.)

The Customer is entitled to alienate the Conditionally sold goods only in the ordinary course of its business on the usual terms and conditions if it has not delayed in performance of obligations. By now the Customer herewith has already assigned to "Stollenwerk" company all rights of demand arising from resale of the Conditionally sold goods to third parties. The above mentioned assignment shall guarantee performance of the obligations towards "Stollenwerk" company to the same extent as the Conditionally sold goods. In case of alienation of the Conditionally sold goods along with other goods not owned by "Stollenwerk" company, the assignment of rights of demand shall be in the amount of the value of the Conditionally sold goods. In case of alienation of the goods to which the "Stollenwerk" company owns a part of the title, the assignment of rights of demand shall be made in the amount of the value of the respective part in the title of common value.

6.)

The Customer is entitled to execute its demands even after the assignment thereof. The "Stollenwerk" company is entitled to withdraw the above mentioned powers of the Customer and to execute the demands on its own. However, "Stollenwerk" company undertakes not to execute the demands until the Customer delays in payment and /or until a motion for bankruptcy procedure is filed. In case of withdrawal of powers to execute the demands the "Stollenwerk" company is entitled to required from the Customer to submit information of the assigned demands and the respective debtors and other information required for execution of the demand, transfer of all documents related to the demands and notices of the debtors (third parties) of the effected assignment of the rights of demands. At the same time the "Stollenwerk" company undertakes to forward to the Customer a list of Conditionally sold goods that the Customer has available.

7.)

In case the Buyer delays in payments for the goods, the Seller or its authorized representative is entitled to demand on return of goods and to exercise its other rights which it is endowed with by the applicable legislation. In this case the Seller is entitled to enter warehouse and/or shopping premises of the Buyer and to collect all the goods owned by the Seller, as well as to see the available documents to specify the amount of indebtedness.

8.)

In case the amount of the provided collateral exceeds the amount of the secured claims by over 20%, the "Stollenwerk" company undertakes to return at its discretion to the Customer the respective amount of the collateral upon a written demand of the Customer.

9.)

The "Stollenwerk" company is entitled to insure the goods on the account of the Customer from theft, damage, including damage caused by water or other damage, unless the Customer has proved that he has entered into the respective insurance agreement on its own.

10.)

In case of payment with an accepted promissory note the title of ownership shall pass to the Customer only after it has been indisputably stated that no demands on promissory note may be raised to "Stollenwerk" company.

§ 6 Liability for Defects and Warranty

1.)

In case of detection of defects in goods it is required to inform the "Stollenwerk" company hereof in writing within the open hours not later than 24 (twenty four) hours after acceptance of the goods. If the Customer fails to comply with this term, it forfeits the right of demand on elimination of defects under warranty.

The Customer undertakes to inform about defects, which may not be discovered during the above mentioned term even through thorough inspection, immediately but not later than six (6) months after detection thereof. Otherwise the Customer forfeits the right to demand on elimination of defects under warranty.

In case of detection of defects in goods the Customer undertakes to submit upon demand of "Stollenwerk" company an expert report or official certificate of the asserted defects within 48 (forty eight hours) after the reception by "Stollenwerk" company of a notice of the Customer about the defects in goods. Furthermore, the Customer undertakes to immediately inform "Stollenwerk" company about the time and place of expert examination and the full name of the expert. The "Stollenwerk" company is entitled to delegate the authorized representatives for participation in expert examination and to prepare its own report. No sale of goods is possible until the own report of "Stollenwerk" is ready.

2.)

If the Customer fails to comply with "Stollenwerk" company's requirements, makes changes to the goods, replaces the parts or uses consumables not included to the original specification, the Customer is not entitled to demand on elimination of defects in goods unless it has proved that no one of the mentioned circumstances have given rise to such defects. The same shall apply if the Customer fails to comply with the requirements of "Stollenwerk" company related to proper storage of the goods.

3.)

In case of reception of a notice of defects in goods from the Customer the "Stollenwerk" company is entitled to demand on return of the goods to "Stollenwerk" company on the account of the "Stollenwerk" company or to collect them from the Customer using its own resources.

4.)

The demands on elimination of defects may be submitted to "Stollenwerk" company only by direct Customer and shall not be assigned to third parties.

5.) If the goods have defects the "Stollenwerk" company is entitled at its discretion to additionally deliver the goods of the proper quality or to decrease the purchase value. Any other warranty claims are to be excluded.

6.) The warranty period shall be principally 6 (six) months unless otherwise agreed upon in writing for this specific case. In case of ex work delivery the warranty period shall start when the goods are handed over to the carrier. Otherwise the warranty period shall start as of the date the goods have been received by the Customer (signature date of the waybill).

7.) In relation to the demands on the compensation for damages inflicted by defects in goods §7 shall apply.

8.) No warranties in legal sense are provided by "Stollenwerk" company.

9.) Any other demands of the Customer are excluded.

§ 7 Liability

1.) The liability of "Stollenwerk" company for non-performance of its obligations under the agreement and for performance of impermissible actions, defects of the goods etc. is limited by the compensation of damage inflicted deliberately or through gross negligence and through typical damage. This provision shall not apply in case of injury to life and health of the Customer and in case of non-performance of the material obligations, i.e. obligations arising from the essence of the agreement, non-performance of which may result in non-achievement of objectives of the agreement. In such case the "Stollenwerk" company is held liable to the full extent. The liability for indirect damages, e.g. loss of profit, as well as non-material damages is to be excluded in any case.

2.) The maximum liability of the "Stollenwerk" company for a delay in delivery of goods through a fault of "Stollenwerk" company shall be 0.5 per cent of the value of the respective shipment for each full week of the delay, but not more than 5 (five) % of the total value of the respective shipment.

The liability of "Stollenwerk" company for non-performance of material obligations under agreement is limited by the amount of compensation of the apprehended and direct damage.

The above mentioned limitations of the liability shall also apply in case of damage inflicted through negligence of the contractors engaged by "Stollenwerk" company, if it is legally permissible.

In case of non-performance of the requirements of "Stollenwerk" company by the Customer any liability shall be excluded.

3.) In case the damage is inflicted through a negligence which has not resulted in injury to life and health of the Customer the limitation period of the demands on compensation of the above mentioned damage shall be one year starting from the date when such demand emerged or in case of the damage inflicted by defects in the goods - from the date of acceptance of the goods.

4.) In case the liability of "Stollenwerk" company is not excluded or limited, this shall also apply to personal liability of officers, employees, workers and representatives and actors of "Stollenwerk" company.

5.) Other demands of the Customer are to be excluded.

§ 8 Confidentiality Compliance

1.) The "Stollenwerk" company and its contract partners undertake to maintain confidentiality in relation to the information obtained from each other for the whole period of effectiveness of the agreement and after termination hereof and not to disclose such information to third parties. This requirement shall principally apply to the information related to commercial and/or industrial secrets.

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2.) The above mentioned requirement shall not apply to the information which is publicly available and which both parties do not consider as confidential any more. The waiver of the parties to consider information as confidential shall be executed in a form of a special clause to the text of agreement or in a form of an individual written document.

§ 9 Form of Statements and Notices

Statements and notices of the Customer to "Stollenwerk" company or third parties which are binding shall be made in writing. The same applies to the waiver of such requirement of the written form.

§ 10 Place of performance of agreement and effecting payments

The place of performance of agreement and effecting payments hereunder shall be the legal address of "Stollenwerk" company unless otherwise agreed upon in the respective agreement in writing.

§ 11 Severability

If any provisions of the agreement and/or these GTC are considered to be partially or fully invalid or unenforceable or subsequently become invalid or unenforceable this shall not affect or limit validity or enforceability of all other terms and conditions of the agreement. This provision shall also apply to the cases of the omissions in the agreement. Such invalid or unenforceable provisions shall be replaced and the omission shall be filled with the provision which is valid and enforceable which economic purpose and effect is as close as possible to the original intention of the parties hereto had they given consideration to the point in question when drawing up such provision and which are lawful. The same shall apply to the case when one of the provisions is invalid or unenforceable due to the volumes of obligations prescribed in the agreement or the terms (dates); in such case such volumes of obligations or the terms (dates) shall be deemed as agreed which are as close as possible to the original intention of the parties and are lawful.

§ 12 Jurisdiction and Governing Law

1.) The agreement and these GTC are governed by the law of the Federative Republic of Germany unless otherwise agreed upon by the parties in the respective agreements. The UN Convention on the International Sale of Goods shall not be applied.

2.) The place of jurisdiction for every and all disputes related to the agreements entered into with individual entrepreneurs, public companies and public-law entities shall be the court according to the territory jurisdiction of "Stollenwerk" company which has the territorial and object competence. However, "Stollenwerk" is entitled to file a lawsuit in a national court as of the registered address of the client/ customer or other national courts which are competent in virtue of German or foreign law, instead of filing a lawsuit in a court which has a jurisdiction as of the registered address of "Stollenwerk".