

General Terms and Conditions of Sale and Supply SCHUBARTH + Co AG, Basle, Switzerland.

Valid as from the 1st of October 2007

1. Scope, general

The following general conditions of sales and delivery apply to all of our offers, tenders, and sales. Deviating or additional conditions are only recognized with our express written agreement.

2. Offers/tenders

Our stock lists and sales documents are always without obligation and do not constitute binding offers. Offers and agreements concerning the delivery of goods and services are always subject to the approval and the ability of the factory to deliver and are only binding following written confirmation. We reserve the right of intermediate sale of stocked goods.

3. Prices

The price basis depends on agreement and does not include VAT; nor does it include special wishes concerning delivery, packaging, transport, and insurance. Unanticipated increases in manufacturing costs, composition or scrap surcharges, taxes, customs charges, or other legal fees, transport costs, and insurance premiums will be additionally at the Purchaser's expense.

4. Quantity tolerance

We aim to supply the ordered quantities. However, we reserve the right to apply quantity deviations of +/- 10% with the respective price adjustments.

5. Terms of delivery

All agreed-upon delivery dates are target dates and without obligation. We do not make any arrangements with fixed delivery dates or expiry dates according to Article 190 of the Swiss Code of Obligations. We are entitled to make partial deliveries at any time. Cancellations and claims for compensation for any delays or for completely undelivered consignments cannot be accepted in any case.

6. Retention of ownership/title

The ownership of the consignments remains with the Supplier until full payment has been received. The Purchaser empowers the Supplier to enter unilaterally the retention of ownership/title in a retention of ownership register. The cost of this registration is borne by the Supplier.

7. Payment

Our invoices are payable, net, within 30 days of the invoice date without any deductions. Raw metals are to be paid on the spot. The due date expires without reminders. We are entitled to charge default interest on late payments at a rate of 6% p.a. If the Purchaser is in arrears, we reserve the right to cancel the contract. The payment of an overdue amount may not be refused by the Purchaser under any circumstances (Rule Against Off-setting of Balance Sheet Items).

8. Creditworthiness

All orders are accepted with the prerequisite that the customer is solvent. If a Purchaser does not meet this prerequisite any more, we reserve the right to demand sufficient security or, if necessary, delivery against cash payment of all outstanding positions or we will have the right to cancel the contract.

9. Place of execution, transport and packing

The place of execution for sales ex stock is Basle (Switzerland) and for factory deliveries the respective import customs site. Transport and delivery are on the Purchaser's account and at the Purchaser's own risk. We reserve the right to choose appropriate forms of delivery and packaging. Benefit and risk are transferred to the Purchaser at the latest on dispatch of the goods from our stock or from the manufacturer site, also with clauses like "carriage paid", "CIF", etc. The transport takes place ex stock or from the manufacturer site at the Purchaser's risk.

10. Notification of defects

Any defects should be reported to the Supplier in writing within eight days of receipt of the consignment. Later claims will only be considered if the defects were hidden, i.e. if, at the time of delivery, in spite of conscientious inspection, the defects were not recognized and the Purchaser makes a written claim within a week of the discovery of the defect, but not later than the expiration of the legal warranty. For manufacturing material defects as determined by the Supplier, the Supplier will replace the goods; he reserves the right to take back the goods without replacement and to refund the purchase price. All additional claims are excluded. The Purchaser has to give the Supplier the opportunity to examine, test, and collect the defective goods before their subsequent processing and use.

11. Technical information/standards

All technical information and properties of the different products in our stock lists and sales documents are standard values and not guaranteed ones. The guarantee of specific properties and the appropriateness for specific applications require, in each case, our express written agreement. To the extent to which they may be applicable, the relevant standards (e.g. ISO, EN, DIN, VSM, SIA, etc.) are valid for the condition, the measurements, quantity tolerances and suchlike of the goods. Valid trade usages are also applicable. Our supplying works reserve the right to apply special conditions.

12. Warranty and compensation

Verifiably defective products will be repaired or replaced upon return of the defective goods at no cost, or we will credit the invoice, at our option. Any additional claims for direct or indirect damage as well as costs incurred by the Purchaser subject to Article 208, par. II of the Swiss Code of Obligations are rejected except in cases of verifiable gross negligence on our side. The Purchaser has no rights to substitution and reduction. Each claim assumes verifiable correct storage and handling of the goods by the Purchaser.

13. General limitation of liability

In cases of infringement of contractual and non-contractual obligations, particularly those due to impossibility, default, negligence in the initiation of the contract, and illicit action, the Supplier is liable – also for his executive staff and other auxiliary persons – only where intent and gross negligence can be proved, limited to the foreseeable damages typical for the specific contract. Otherwise the Supplier has no liability for defects or consequential damages caused by defects. These restrictions do not apply in case of breach of fundamental contract obligations which jeopardizes the attainment of the contract's purpose, where there is loss of life, bodily injury and health damage and also not if and to the extent to which the Supplier has expressly guaranteed specific condition of the consignment; as well as in cases of compulsory liability according to the Product Liability Law.

14. Place of execution, jurisdiction, and applicable laws:

For all obligations in this contract, the place of execution is **BASLE, Switzerland**. The place of jurisdiction for the settlement of all legal disputes from the contract is **Basle, Switzerland**. **Swiss law is applicable** with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (**CISG**).