

## Terms & Conditions of Sale

August 2010

### I. General

1. These terms and conditions form part of the purchase contract ("Contract") concluded with W+D-Langhammer GmbH. They apply to all subsequent purchase contracts between the Buyer and W+D Langhammer even if not expressly referred to. Differing general terms or conditions of the Buyer shall not apply, even where they are not expressly contradicted by W+D Langhammer. It is expressly understood and agreed by the Buyer and W+D Langhammer that the Contract constitutes the final agreement between the parties, and no alterations or modifications will be of any force or effect unless in writing and signed by the parties.
2. Unless agreed in writing by W+D Langhammer, these Contract terms apply to the exclusion of all prior discussions, representations, understandings and arrangements, and all conditions and warranties (written or oral, express or implied) and other representations (contractual or otherwise), whether or not endorsed or delivered with or referred to in any order or other document delivered by the Buyer to W+D Langhammer.
3. Prior to W+D Langhammer's acceptance of any order, the Buyer must inform W+D Langhammer of all its requirements including any statutory or regulatory requirements relating to the installation and end use of the ordered goods ("Goods") in the place of intended use. If the Buyer fails to inform W+D Langhammer of such requirements or if W+D Langhammer has not expressly agreed to such requirements, the Buyer shall be responsible for, and shall indemnify W+D Langhammer against, any action, claim, demand, loss, damage, cost or expense associated with any failure to meet those requirements.
4. Except where expressly otherwise agreed in writing, the Contract will only become effective upon the written acceptance by W+D Langhammer.
5. Buyer agrees that it will execute and deliver to W+D Langhammer any and all documents W+D Langhammer deems necessary to effect the sale of the Goods.

### 2. Prices; Terms of Delivery and Payment; Retention of Title

1. Unless otherwise stated, all prices quoted are EX WORKS. Prices include loading at W+D Langhammer's works, but exclude packing, freight, insurance and unloading. Buyer shall be responsible for and promptly pay all consumption, use, sales, value added, or Goods and services

taxes levied against the ordered Goods as well as any customs or import duties. Prices do not include start-up, installation and commissioning of the Goods.

2. Unless expressly otherwise agreed payment shall be made to W+D Langhammer as follows:  
  
1/3 upon receipt of the order confirmation (down payment),  
1/3 upon completion of 50% of the agreed delivery period, and  
1/3 upon notice by W+D Langhammer of readiness of Goods for delivery.

W+D Langhammer is entitled to adjust any price to take into account a variation in cost arising from delays in manufacture or installation as a result of any act or omission by the Buyer.

3. It is expressly understood that all claims (e. g. warranty claims) do not affect the obligation of the Buyer to make payments for the Goods. If Buyer fails to make any payment to W+D Langhammer within the payment terms, interest shall accrue from the due date at the rate of, per year, eight (8) percentage points above the base rate as determined by the European Central Bank. In addition to the accrual of interest, Buyer shall be liable for all other loss, damage or expenses directly or indirectly suffered or incurred by W+D Langhammer as a result of Buyer's failure to make timely payment, including but not limited to, (reasonable) attorney fees and court costs incurred.
4. Title to the Goods remains with W+D Langhammer until the purchase price for the Goods and all other sums owed by the Buyer to W+D Langhammer have been paid in full. Should such retention of title under the laws of the nation in which the Goods are located not be permitted, W+D Langhammer is entitled to such similar rights to secure its ownership as the appropriate law provides. Buyer must provide W+D Langhammer with all support necessary to secure its ownership or to exercise its similar rights, e. g. rights of lien. As long as W+D Langhammer's retention of title applies, the Buyer shall take out sufficient insurance for the Goods and provide W+D Langhammer with an insurance certificate evidencing such insurance and naming W+D Langhammer as an additional insured.

### 3. Delivery Time; Risk of Loss

1. All delivery dates are approximate and non-binding, except where expressly agreed otherwise. The estimated delivery times by W+D Langhammer are

subject to all commercial and technical questions between the parties being resolved and the Buyer fulfilled all its obligations. Delivery time is extended until these requirements are complied with.

2. W+D Langhammer shall not be liable for any damages, consequential or otherwise, due to any delay in delivery, however arising, except where W+D Langhammer is responsible for the delay. In particular, W+D Langhammer is not responsible for the delay in case of force majeure, which affects W+D Langhammer or sub-suppliers.
3. Risk of loss shall pass to Buyer upon EX WORKS delivery of the Goods; or if an acceptance test is expressly required, on completion at such testing.
4. Any storage costs, including insurance, and any other additional costs incurred by W+D Langhammer resulting from delivery delay at the request of the Buyer or due to failure by the Buyer to take delivery shall be paid promptly by the Buyer on demand by W+D Langhammer. The Buyer shall bear the risk of loss or damage to the Goods due to such delay.

#### **4. Warranty (“Gewährleistung”); Limitation of Liability**

1. Subject to the other conditions set out in this section 4. W+D Langhammer warrants that the Goods shall be free from defects in material and workmanship for a period of twelve (12) months from the date of delivery.
  2. If an acceptance test expressly has to take place, either the finalization of the acceptance test or such time when the Buyer fails to agree to a proposed date for an acceptance test, whichever is earlier, shall be deemed to be the commencement date of the warranty period.
  3. If the Buyer delays installation for a period of thirty (30) days or more, after delivery, the warranty period will take effect thirty (30) days after the delivery of the Goods. W+D Langhammer must be notified in writing of any alleged defects without undue delay.
  4. W+D LANGHAMMER shall have no further liability for defects, latent or otherwise notified, after the expiration of the warranty period.
  5. The warranty provided herein does not extend to normal wear and tear, nor to damage due to incorrect or negligent treatment, or unsuitable methods of operation (e. g. which is inconsistent with W+D Langhammer’s written specifications), defects in storage, building, housing or installation of the Goods by Buyer, unsuitable ground, or chemical, electrochemical or electrical influences or other ambient conditions, nor to any other defect or treatment not due to the fault of W+D Langhammer. The warranty provided herein does not extend to any repair or alteration of the Goods carried out by Buyer or any other third party unless W+D Langhammer has agreed in writing prior to the commencement of such repair or alteration.
6. All performance data of the Goods are subject to the actual production conditions (including for example, but not limited, to paper quality processed, complexity of the job, ambient conditions). All weights and dimensions given in the Contract are as close to actual as practicable and shall, insofar deviations are just and reasonable for the Buyer, not be a part of the warranty provided herein.
  7. To the full extent permitted by law, the liability of W+D Langhammer for breach of the Buyer’s statutory rights is limited to the replacement or repair of the Goods, supply of equivalent Goods or the payment of the cost of replacing or repairing the Goods or supply of equivalent Goods, or supplying the services again or the payment of the cost of providing the services again. Buyer agrees that, upon their replacement, title to replaced parts or Goods shall pass to W+D Langhammer.
  8. The Buyer shall grant W+D Langhammer the required time and provide the opportunity, after a corresponding communication with W+D Langhammer; to carry out all improvements/rework and spare parts deliveries deemed necessary by W+D Langhammer. Otherwise W+D Langhammer is discharged from warranty for the consequences arising thereof. Only in urgent cases of risk of operational safety respectively protection against disproportionately big damage whereby W+D Langhammer must be informed immediately, the Buyer may remedy the defect itself or by a third party.
  9. No other warranty, expressed or implied, whether of fitness for a particular use or merchantability, whether or not similar in nature to any others provided herein, shall exist with respect to the Goods sold. All other such warranties are hereby expressly waived by the Buyer.
  10. In no event shall W+D Langhammer be liable or responsible in any way whatsoever for any indirect or consequential damages (including any financial or economic loss).

#### **5. Installation and Commissioning**

1. Where W+D Langhammer is to install, start up or commission the Goods, the Buyer will provide suitable access to and possession of the premises where the Goods are to be installed started up and commissioned, and shall provide suitable facilities at the premises in order to receive the Goods.
2. The Buyer will bear the cost of:
  - a) any work to be carried out by third parties including, without limitation, builders, masons, joiners, pipefitters and electricians;
  - b) any alterations to existing equipment or premises for use with the Goods; and
  - c) all fuels, services and other facilities required for installation starting up and commissioning of the Goods.

3. W+D Langhammer shall not be bound to remove, correct, repair or alter any defect whatsoever so long as the Buyer has not fulfilled its payment obligation to W+D Langhammer under the Contract.

#### **6. Software License; Ownership by W+D Langhammer**

1. To the extent the Goods contain or are operated using software, W+D Langhammer herewith grants Buyer a non-exclusive right to use the software, including its documentation, exclusively for the operation of the Goods. Use of the software on more than one system is prohibited. Buyer may not copy, revise, translate or reverse-compile the software except as is expressly admissible according to paragraph 69 a. through e. of the German Urheberrechtsgesetz (copyrights act). Buyer must not remove any marking or references of W+D Langhammer or other copyright owners. In particular Buyer shall leave all copyright notices on the software and accompanying material. Buyer shall only be entitled to transfer the right to use the software to a third party, if:
  - a) Buyer provides W+D Langhammer with a copy of such third party's written acceptance of the terms of this clause;
  - b) Buyer does not retain any copy of the software; and
  - c) Notifies W+D Langhammer of the name and address of the third party.
2. W+D Langhammer reserves the right of title and copyright with respect to samples, cost estimates, drawings, and similar information of physical and non-physical nature - as well in electronic format. It is not permitted to make these available to third parties.

#### **7. Buyer's Default and Indemnity**

1. Without prejudice to any other remedy, and as far as permitted by the laws in the Buyer's country, if the Buyer commits an act of bankruptcy, makes any composition or arrangement with its creditor, or steps are taken for the winding up of the Buyer, or the Buyer has a receiver appointed over any of its property, W+D Langhammer may treat the Contract with the Buyer as terminated and all claims of W+D Langhammer against the Buyer, in whole or part, shall become due and payable.
2. If the manufacture, dispatch or transport of Goods is delayed due to any act or omission of the Buyer, and that delay continues beyond a reasonable time, the Buyer shall indemnify and keep W+D Langhammer indemnified against any action, claim, demand, loss, damage, cost or expense which W+D Langhammer may suffer or incur, or is liable for arising out of, or in connection with such delay, or other omission of the Buyer in respect of any Goods supplied.

#### **8. Miscellaneous**

1. If any provision of the Contract is held to be unenforceable or invalid, such invalidity or unenforceability shall not affect any other provisions of the Contract.
2. The provisions of the Contract shall be construed and enforced under the laws of the Federal Republic of Germany, and the Buyer submits to the exclusive jurisdiction of the Courts of that Kaiserslautern, Germany, except that W+D Langhammer may, should it so elect, bring suit to the courts of the jurisdiction of Buyer's place of business.
3. The assignment of rights of the Buyer is not permitted without W+D Langhammer's prior written consent.

#### **W+D-Langhammer GmbH**

Managing Directors: Enrico Pes . Georg Schmitt

Commercial Register: Kaiserslautern B 11207

VAT Number: DE 257708823

Tax ID Number: 44/671/1041/5