

Translation from the German language

General conditions of sale and delivery

I. General provisions

The following conditions of sale and delivery shall apply to all business relations between us as supplier and our customer as purchaser as of the moment of information to the purchaser and unless otherwise stipulated in writing. We do not accept contrary provisions or provisions of the purchaser deviating from our conditions unless we expressly agreed to these in writing. Our conditions of sale and delivery shall also apply in case we performed delivery to the purchaser without reserve, knowing that contrary conditions or purchaser's conditions of sale and delivery deviating from ours do exist. All agreements arranged between us and the purchaser for performance of the contract shall be fixed in writing in the contract.

II. Offers

Offers and indications regarding prices and delivery times shall not be binding until consented in writing. Indications regarding dimensions, weight and performance, pictures and, in case of used machines and devices indications on duration and scope of utilization are approximate and not binding unless expressly stated as binding. We reserve all property rights and copyrights on cost estimates, drawings and other documents; these shall not be made available to any third party.

III. Prices and terms of payment

Prices shall apply as from factory/location without costs for loading and packaging, unless otherwise specially agreed upon. Value added tax in the respective, statutory amount shall be added to the prices. Unless otherwise specially stipulated, payment shall be made in cash without any deduction at the moment of hand-over of the machines and devices or, upon appropriate agreement, within 30 days as of date of invoice. We accept money orders, checks and bills only upon special written agreement and only under consideration of all collection and discount charges.

Offsetting against any kind of non-approved counter-claims as well as execution of right of retention of goods shall be excluded unless established in court, undisputed or recognized by us. We shall be entitled to demand interests for arrears amounting to 5 % exceeding the base rate should the purchaser be in arrears. Should we be capable to provide evidence of a larger damage caused by arrears we shall be entitled to such claim. Should we doubt the purchaser's solvency we shall be entitled to call for cash prepayment or to cancel the contract if circumstances giving reason to doubt the purchaser's solvency get known after stipulation of the contract.

IV. Delivery

Delivery deadlines and terms agreed as binding or non-binding shall be informed of in writing. Terms of delivery shall apply as of the day of approval of order, however, not prior to clarification of all and any technical and business matters related to the delivery. Compliance with our delivery obligations moreover implies orderly and due-time fulfillment of the purchaser's obligations. The delivery term shall be considered as complied with if the object of delivery left the factory/location or readiness for delivery was communicated before expiry of delivery term. The delivery term shall extend reasonably in case of actions in the frame of industrial disputes, especially strike and lock out and in the event of unforeseen impediments beyond our will as far as such impediments demonstrably have a considerable impact on manufacture or delivery of the object to be delivered. This provision shall also apply in case the circumstances are any sub supplier's responsibility. We shall not be responsible for the circumstances described above even if they occur during an already existing arrears. In important cases we shall inform the purchaser of beginning and end of such impediments as soon as possible. Liability for damages due to conventional negligence shall be excluded should we fall into arrears for reasons within our responsibility. In the event of us having fallen into arrears and the purchaser having granted a reasonable extension of time with warning of rejection, the purchaser shall be entitled to rescind the contract upon futile expiry of the extension. The purchaser shall only be entitled to claims for damages due to non-performance in the amount of the predictable damage if default is due to intent or gross negligence, for the rest, liability for damages shall be limited to 50 % of the damage incurred. The limitations of liability described above shall not apply to commercial firm bargains and to cases where the purchaser is capable of asserting that he is no longer interested in performance of the contract because of default within our responsibility.

We shall be entitled to claims for damages incurred by us including possible additional expenditure in case the purchaser falls into default of acceptance or does not comply with other obligations of cooperation. In such case, also the risk of incidental destruction or incidental deterioration of the object of purchase shall pass to the purchaser at the time purchaser falls into default of acceptance.

V. Transfer of risks

Delivery of the object of purchase ex factory and/or ex location shall be considered as agreed unless fixed otherwise in the confirmation of order. Thus, the risk shall pass to the purchaser either at the moment of shipment of the object of purchase or at the moment of readiness of shipment and in case of partial shipment, or should we have assumed additional services such as shipment costs or export and assembly/installation which would require special agreement in writing. We will procure insurance of the shipment against theft, breakage, transport, fire and water damages and against other insurable risks at the purchaser's expense, if so requested by the purchaser.

VI. Warranty

Any and all warranty claims of purchaser shall expressly be excluded in case of supply of used purchase objects. For the rest, purchaser's warranty claims shall only apply provided that purchaser orderly complied with his duties of examination and complaint in accordance with §§ 377, 378 German Commercial Code. Moreover, we shall be entitled to eliminate deficiencies or to supply replacement at our choice. Elimination of deficiencies shall include all expenditure required for such elimination. We shall not accept any guarantee for any damaged caused by the following reasons:

Unsuitable or improper use, faulty assembly/installation and/or putting into operation by the purchaser or by third parties, natural wear, faulty or negligent handling, unsuitable means of operation, replacement working materials, faulty construction work, unsuitable construction base/ground, chemical, electro-chemical or electrical influences as far as these are not within our responsibility. All and any other additional claims of the purchaser, especially entitlement to damages not incurred to the object of delivery shall be excluded. In particular we will not accept any warranty for purchaser's profits lost or

other property damage. This liability exemption clause shall not apply if the damage is caused by intent or gross negligence. It shall also not apply if the purchaser exercises claim for damages due to non-compliance caused by lack of warranted qualification in accordance with §§ 463, 480, section 2 German Civil Code. Our liability to pay damages shall be limited to the predictable damage related to the type of contract in case we failed by negligence to comply with any cardinal duty or with any major contractual duty. Liability to pay damages exceeding above provisions shall be excluded irrespective of the legal nature of the exercised claim, however, this shall not apply to claims in accordance with §§ 1, 4 product liability law and in cases of incapability or impossibility. Exclusion or limitation of our liability shall include personal liability of employees, workers, co-workers, representatives and subcontractors.

VII. Reservation of property

All goods delivered shall remain our property until complete payment of price including interests and costs. Reservation of property shall remain effective as long as we are entitled to any claim against the purchaser resulting from this or any other business, especially as long as there is an existing debit balance. In such case, bills, checks, claims assigned, money orders and similar instruments shall be considered as payment only at the moment the respective cash amounts was received by us. We shall be entitled to repossession of the object of purchase and the purchaser shall be obliged to surrender property in the event of purchaser's lack of conformity with the contract, especially in case of failure to pay on due date. Unless expressly notified by us in writing, repossession of the object of purchase by us shall not constitute cancellation of contract. Attachment of the object of purchase by us shall always constitute cancellation of contract. We shall be entitled to exploitation of the object of purchase after its repossession. The returns of such exploitation shall be charged up against the purchaser's liabilities minus reasonable exploitation costs. The purchaser shall inform us immediately of any attachment or any other action of third parties in order to enable us to institute legal proceedings in compliance with § 771 German Code of Civil Procedure. The purchaser shall be held liable for losses incurred by us in case the third party should be unable to pay us for judicial and out-of-court costs incurred by us for such action. The purchaser shall be obliged to handle the object of purchase with reasonable care, and in particular to take out at his own expense fire, water and theft insurance at nominal value of the object of purchase. This obligation to insure shall also include machine failure insurance according to the General Conditions for insurance of machines, plants and equipment. Title in any and all policies shall be transferred on us until complete payment of goods delivered. In other respects we shall be entitled to insure the object of purchase as described above at the purchaser's expense unless the purchaser is able to provide evidence of such insurance. The purchaser shall perform required maintenance and inspection work in due time and at his own expense. The purchaser shall be entitled to resell the object of purchase within the ordinary course of business, however, only with our previous approval in writing. As of this moment the purchaser shall assign to us all claims in the amount of the invoice total including value added tax, claims against his buyers or third parties accrued from resale, irrespective of the object of purchase being resold before or after treatment. The purchaser shall be entitled to recover such debt also after assignment, without prejudice to our right to recover the debt. However, we shall undertake not to recover the debt if the purchaser complies with his duty of payment of proceeds made, if he does not fall into arrears, and especially if no petition for insolvency or composition proceedings was filed or if there is suspension of payments. If this is the case we shall be entitled to request that purchaser informs us about claims assigned and their debtors, provides all information required for recovery, submits all related documents and informs the debtor (third party) about the assignment. Treatment or alteration of the object of purchase by the purchaser shall always be deemed as performed for us. Should the object of purchase be altered by means of other objects or components not belonging to us we shall be entitled to joint ownership in the new object at the ratio of value of object of purchase to value of other objects/components at the time of alteration. In other respects the same as to the object of purchase delivered under proviso shall also apply to the altered object. The purchaser shall act as depository of our sole ownership or joint ownership.

We shall undertake to release the securities we are entitled to upon the purchaser's request if the sale value of our securities exceeds the claims to be recovered by more than 20 percent. Choice of securities to be released shall be at our sole discretion.

VIII. Applicable law

All contracts stipulated with us shall be governed by the German Civil Code and the German Commercial Code unless otherwise agreed upon in writing. Application of the UN sales law shall be excluded expressly.

IX. Place of jurisdiction/performance

For all disputes arising from the contractual relationship, the place of jurisdiction shall be the place of our registered office if the purchaser is registered trader, legal person under public law or separate estate under public law. This provision shall also apply in case the purchaser has no domestic general place of jurisdiction, moved his domicile or usual place of residence abroad after conclusion of contract or his domicile or usual place of residence is unknown at the time of filing of action. In any case we shall be entitled to sue the purchaser also at the court of his residence. The place of our registered office shall be place of performance unless otherwise agreed upon in the confirmation of order.

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This is a true and complete translation of the German document transmitted via e-mail.
P. Rohwerder, Rodheim, September 27, 2001