



General Terms and Conditions of Business of TIANMA EUROPE GmbH (GTCBs) December 2010

1 Application Our deliveries, services (hereinafter referred to as "Products") and offers – including future ones – are provided subject exclusively to our GTCBs. These GTCBs form part of all contracts; they apply even if not specifically referenced.

Our GTCBs only apply vis-à-vis entrepreneurs ["*Unternehmer*"] or vis-à-vis legal entities or special funds constituted under public law (German Civil Code [*BGB*] § 14 and § 310). Our GTCBs apply exclusively. The customer's general terms and conditions of business do not apply, even if we do not object to them separately. They do not become part of the contract even if the order is accepted or filled without reservation.

2 Formation of Contract Our offers are non-binding unless agreed otherwise. They are based on information provided by the customer, without knowledge of the customer's circumstances or requirements. The customer bears the risk that the Products offered on this basis may not correspond to the customer's needs. No contract is formed until a written order confirmation has been provided. We can accept the customer's offers within 15 business days. Oral and phone agreements are only legally valid if we confirm them in writing. We only uphold contractual guarantees that we have explicitly extended in writing. Performance is deemed to be in compliance with promises or guarantees even the actual performance deviates 10 % from such promises or guarantees.

The order confirmation or, if the order is filled immediately, the delivery note exclusively governs the scope and subject-matter of the delivery. If there are changes to the customer's purchase order, the customer is deemed to have consented to them if he unconditionally accepts the Product and does not object in writing within a reasonable period of time. We reserve the right to make changes to reflect technical progress. The same applies for changes in the construction, design, dimensions, color and weight of goods, provided the customer can reasonably be expected to accept such changes in light of an objective assessment of all circumstances.

If the customer changes or expands the order after the order has been confirmed, we reserve the right to adjust prices and extend delivery deadlines.

References to technical standards serve to describe the work and are not guarantees as to characteristics. Illustrations or information (weights, dimensions, values in use, allowable loads, tolerances, drawings, technical data, etc.) are only approximations, unless exact conformity is necessary for the goods to be used for the contracted purpose. Any obvious mistakes or printing, spelling, arithmetical or costing errors are not binding and do not give grounds for any claim.

Any documentation (such as specifications) that we may maintain for certain Products will be available to the customer digitally on storage media or as a free download on our homepage. We can provide printed copies for a fee.

3 Prices/Payment Our list prices apply, as they may change from time to time. Unless agreed otherwise, the prices are ex works and do not include value-added tax or additional services such as packaging, loading, freight charges, unloading, transportation insurance, assembly, customs, installation, implementation, introduction, training, maintenance, out-of-pocket expenses, travel costs or other expenditures. The special terms and conditions and the technical notes on individual Products, as stated in the applicable price lists, master agreements and agency agreements, apply as a supplement hereto.

Unless agreed otherwise, invoices are due immediately, net and without discounts; in case of foreign transactions, payment must be made with a 100% irrevocable letter of credit confirmed by a German bank. A cash discount may only be applied with our express prior written consent. The agreed cash discount will be deducted from the net invoice amount after deducting rebates, shipping costs and other expenses.

In determining timeliness, payment is deemed to be made when our account is credited. In the case of transactions with commercial enterprises, invoiced amounts incur 10 % interest from the due date of the invoice.

A default in payment automatically voids any rebates, cash discounts and other incentives; interest amounting to 8 percentage points above the base interest rate (German Civil Code [*BGB*] § 288) will also become due.

We can demand advance payment and/or exercise a right of retention over further Products in case of default in payment and reasonable doubt as to the customer's ability to perform. This also applies if our trade credit insurer refuses to insure the customer's receivable.

The customer may only exercise a right of retention or a right of set-off if his claims against us are undisputed or upheld by final and absolute judgment.

If the agreed delivery period exceeds four months, we reserve the right to make reasonable adjustments to our prices if cost reductions or increases result after the contract has been formed, including, but not limited to, reductions or increases resulting from collective bargaining agreements or changes in materials prices.

4 Delivery/Passage of Risk The goods are delivered and the documents prepared in accordance with Incoterms 2010. The UCP 600 (Uniform Customs and Practice for Documentary Credits of the ICC Paris) apply.

We will ship at the customer's risk and expense without guaranteeing that the cheapest method will be used.

The customer is always responsible and liable for export clearance. The customer agrees to comply with the provisions of German foreign trade law in case of exports.

In case of custom special orders, we may make excess or short deliveries of up to 20 % at the customer's expense.

Partial, excess, short or early deliveries are allowed as long as they are not unreasonable.

Unless otherwise agreed, we are not liable to provide instruction or advice.

Delivery times are only approximate unless we have expressly agreed to a fixed delivery time. Delivery times begin upon receipt of the order confirmation, or once all technical and commercial questions have been resolved, whichever comes last.

After a non-binding delivery deadline expires, the customer may only withdraw from the contract after he has given us in writing a grace period of at least 30 days and expressly warns us that he will refuse performance if the grace period is not met.

We will comply with delivery deadlines subject to timely delivery by our own suppliers; we will provide notifications of delays.

Risk of accidental loss and deterioration passes to the customer on or before acceptance or handover to the person carrying out the shipment. If the acceptance or shipment is delayed due to circumstances beyond our control, risk will pass to the customer upon issuing the ready-to-accept or ready-to-ship notice. We will insure the Products and/or shipping at the customer's expense if so instructed in advance by the customer.

Force majeure events, government-imposed conditions, and other circumstances for which we are not at fault (for example, strikes, difficulties in procuring materials, civil unrest, embargoes, travel warnings issued by the German Federal Foreign Office) that render

our performance or that of our suppliers impracticable or impossible other than temporarily, exempt us from our obligation to perform for the duration of their effects. The customer may ask us to declare within two weeks whether we intend to withdraw from the agreement or deliver within a fair and reasonable period. We may partially or completely withdraw from the agreement if we cannot be reasonably expected to perform for the above reasons; this does not entitle the customer to damages. In this case, the customer is exempted from his obligation to render appropriate counter-performance. We are not liable for faults of our suppliers; any claims for damages against these suppliers will be assigned to the customer. The customer may withdraw from the contract if he can no longer be reasonably expected to accept the delivery as a result. We are not liable for impossibility or delays due to such events.

If the Products have to be accepted, risk will pass upon acceptance. The acceptance must be performed without delay on the acceptance date or, alternatively, after the ready-to-accept notice is issued. The customer may not refuse acceptance due to an insignificant defect. If the acceptance is delayed due to circumstances beyond our control, risk will pass to the customer on the day following the issuance of the ready-to-accept notice. The customer bears the storage costs after the risk passes. If we store the goods, storage costs will be 0.5 % of the unpaid invoiced amount for each whole or partial month, beginning one month after the ready-to-ship notice is issued. The right to claim and prove that storage costs are higher, lower or non-existent remains reserved.

Our liability for a delayed delivery is governed by the liability provisions of these GTCBs. In all other regards, our liability for liquidated damages for each completed week of delay is 0.5 % up to a maximum of 5 % of the amount invoiced for the delivery affected by the delay. We may furnish proof that the damages are smaller.

The Products must be unloaded immediately upon arriving at the customer's premises. If unloading is delayed by more than two hours, the customer will bear the costs for the time that the transport vehicle is parked (standing time). If the Products are exported and cleared through customs, the customer will bear the costs for any standing time of more than 48 hours, or 24 hours without customs clearance.

5 Retention of Title The customer will grant us the following security until the settlement of all the claims (including any and all outstanding balances on running accounts) that the customer owes to us now or in the future on any legal grounds whatsoever; we will release the security at our option on request insofar as its value exceeds the secured claims by more than 20 %:

We reserve title to the Products until all payments owed under the business relationship have been received. The pallets are our property. They must be returned to us without delay.

Unless explicitly agreed otherwise, we reserve all rights – including, but not limited to, copyrights, ownership rights and other intellectual property rights – in and to all specimens, tools, specifications, models, plans, data, drawings, tangible and intangible information, and similar items provided to the customer in electronic or any other form. This also applies if compensation (tooling costs) has been paid for engineering the tool. Any reproduction or release to third parties is prohibited.

We reserve the right to revoke the possible grant of usage rights from the customer if the customer is more than 30 days in default of payment.

The following applies while we retain title:

- The Products remain our property. Products are always processed or modified for us as the manufacturer, without us incurring any obligation thereby. If our (co-)ownership ceases to exist due to combination, the contracting parties now hereby agree that we acquire (co-)ownership in the unitary item proportionate to the value of our Products (invoiced value). The customer holds our (co-owned) property in safe custody free of charge.

- The customer keeps the Products in good condition. The customer insures the Products for our benefit at his expense against theft, breakage, fire, water and other perils to the extent that he can be reasonably expected to do so. Proof of insurance must be presented on request.

- The customer has a revocable right to sell and process the Products in the ordinary course of business, provided he is not in default. The Products may not be pledged or assigned as security.

- The customer now hereby assigns to us as security claims arising from the resale of the Products, in lieu of the Products, or otherwise in respect of the Products (e.g. insurance, tort), including all ancillary rights, regardless of whether or not the Products are processed before they are resold. We hereby accept the assignment.

- The customer has a revocable right to collect claims assigned to us in his own name and for our account. Our right to collect the claims ourselves remains unaffected thereby. We have the right of disclosure.

- If third parties attempt to attach the Products, including, but not limited to, by means of enforcement measures, the customer will inform the third party of our ownership interest and notify us forthwith. The customer will reimburse us for the costs of our intervention if we cannot recover the costs from third parties.

We may withdraw from the contract and require the customer to immediately restore the Products to us or, if applicable, assign his rights of restoration against third parties if the customer breaches the contract by, without limitation, defaulting on payments or filing for bankruptcy (enforcement event). The customer has no right of retention in this case. This is without prejudice to claims for damages, including claims for compensation of lost profits. We can satisfy the debt owed by selling the repossessed Products by private contract.

6 Defects The customer must carefully inspect the Products without unreasonable delay upon receipt. We must be notified of any defects in writing without unreasonable delay ("notice of defects"). Damages sustained in transit must be documented vis-à-vis the carrier. German Commercial Code [HGB] § 377 applies in all other regards. If no notice is given, the delivery is deemed to be free from defects, unless the defect in question was not detectable during the inspection. Notice of such defects must be given immediately after discovering them. Any resale, installation or any other use of allegedly defective Products is deemed approval of the Products, indicating performance as contracted, and to that extent precludes the possibility of claims for defects.

By negotiating about notices of defects, we do not waive the defense that the notices were late, unsubstantiated or otherwise insufficient. Damage reduction measures do not constitute an acknowledgement of defects.

We extend no guarantee of compliance with any special regulations that apply to the customer's business or to imports and exports, nor do we guarantee that any necessary permits and approvals have been obtained. The Products may only be used in the country for which they have been ordered. The customer bears the responsibility and liability for any re-export. The obligation to accept deliveries is not affected by opposing regulations or the absence of permits and approvals.

We are entitled to deviate from the stipulated quality or quantity standards due to irregularities in materials, or to adapt our performance to technical progress in terms of construction, design, dimensions or color within the customary industry tolerances, provided (a) this does not restrict the usability of our Products for the contracted purpose, (b) no contractual guarantee exists, and (c) the customer can be reasonably expected to accept the change(s) and/or deviation(s).

The customer must give us the requisite time and opportunity to – at our option – perform any repair or provide any replacement that we deem necessary; otherwise, we are exempted from all liability for the resultant consequences.

If the customer or a third party performs improper repairs without previously giving us the opportunity to cure the defect, we will not assume liability for the resultant consequences. This also applies to modifications made to the Products without our consent.

We bear the expenses necessary to cure the defect to the extent they have not been increased by the transportation of the Products to a location other than the place of performance.

The customer is liable for any unjustified notices of defects if the defect's cause lies within the customer's area of responsibility and he acted at least negligently in failing to recognize this fact. We will bill the customer for any expenses not attributable to us under our liability for defects.

The customer may withdraw from the contract if we fail to repair or replace a Product with a defect as to quality within a grace period of no less than 30 days that has been extended to us. The right to a price reduction is excluded unless the defect is merely insignificant, was concealed with an intent to deceive or relates to a contractual guarantee as to certain characteristics.

Claims for defects are excluded for used Products unless the defect was concealed with an intent to deceive or relates to a contractual guarantee as to certain characteristics.

We do not extend any warranties in cases of inappropriate or improper use, improper assembly or placement into service by the customer or third parties, failure to follow the manufacturer's processing guidelines, natural wear and tear, improper or negligent handling or storage, improper preventive maintenance or care, inappropriate supplies or chemical, electrochemical, electrical or environmental influences, unless we are at fault for such cases.

This also applies to any modifications made without our approval to the Products or replacements of parts that do not conform to the original specifications, unless the defect is not caused thereby.

The customer only has remedies over against us as set forth in German Civil Code [BGB] § 478 to the extent that the customer's agreements with the consumer do not go beyond the statutory claims for defects.

Unless agreed otherwise, the period of limitation for claims for defects expires one year after the handover/shipment date unless the law prescribes longer periods under German Civil Code [BGB] § 438 (1) (2) (construction and construction materials) and § 634a (1) (2) (construction defects), the defect was concealed with intent to deceive, or it relates to an injury to life, limb or health or to a contractual guarantee.

The period of limitation is only tolled in accordance with German Civil Code [BGB] § 479 if the customer has demonstrably extended a warranty to his own customer.

Any further claims or claims not governed by these GTCBs that the customer may have against us due to a defect are excluded.

7 Liability If we, our statutory agents, or agents for whom we are vicariously liable, commit a culpable breach of duty, we are liable for damages due to any injury resulting therefrom to life, limb or health as per the statutory provisions.

The following applies to all other damages inflicted by us, our statutory agents or agents for whom we are vicariously liable:

- In the case of damages due to a willful or grossly negligent breach of duty, we are liable as per the statutory provisions.
- In the case of damages due to a slightly negligent breach of material contractual duties, we are only liable for the foreseeable damages which are typical for the contract.
- In the case of damages due to a grossly negligent breach of an immaterial contractual duty, we are only liable for the foreseeable damages which are typical for the contract.
- In the case of damages due to a slightly negligent breach of an immaterial contractual duty, we are not liable for damages.
- Material contractual duties are duties (a) whose satisfaction is essential to the proper performance of the contract and (b) upon whose satisfaction the customer may reasonably rely.

The liability disclaimer and limitation do not affect the customer's statutory rights to withdraw from the contract.

The customer will maintain his own insurance in the scope customary for the industry (e.g. business interruption insurance). Our liability is reduced accordingly in the case of contributory fault by the customer. In particular, the customer is responsible for regularly backing up his data. As a result, our liability for any

data loss attributable to us only extends to the costs of copying the data from the backup copies to be created by the customer and to the reconstruction of the data that would have been lost had backup copies been made in reasonable intervals.

8 Liability Limitation If liability is limited to the foreseeable damages that are typical for the contract, liability for each loss will be limited to three times the amount of the order value. We will be liable above and beyond this amount if and to the extent our insurer accepts and pays claims for the loss.

9 Property Rights/Non-Disclosure If using the Products infringes on industrial property rights or copyrights, we will, at our expense and option, either procure a right of use for the customer or modify the Products so they are non-infringing or replace the Products with non-infringing ones. If this is impracticable for us, the customer may assert his right to withdraw in this case.

This obligation only exists if the customer notifies us of such asserted claims without undue delay, refuses to acknowledge the infringement and we retain the ability to use all defensive measures and negotiations. If the customer stops using the Products to reduce damages or for other good reasons, the customer must advise the third party that this suspension of use does not constitute an acknowledgement of infringement.

The customer may not assert claims for infringements which are attributable to him or are caused by the customer's special requirements, by a use which we could not foresee, or by the customer changing the Products.

If the Products were manufactured in accordance with the customer's instructions or designs, the customer will hold us harmless from all claims asserted by third parties, particularly for infringements of industrial property rights or copyrights.

The customer will keep all the contents of the contract strictly confidential, including, but not limited to, prices, discounts, know-how and other business secrets, and will refrain from disclosing or otherwise making available to third parties any information, documentation, drawings or other documents without our express written approval. This does not, however, apply to content which is publicly known without violating the non-disclosure obligation. The customer will impose the same non-disclosure obligation on his employees and associate companies and on third parties to whom the content is disclosed.

We may cite the customer and the project as a reference.

10 Final provisions These GTCBs also apply to associate companies of the customer within the meaning of German Companies Act [Aktengesetz] § 15. The customer will bind his associate companies to observe these GTCBs.

Amendments and modifications hereto that are not based on an individual agreement must be made in writing (including fax). This also applies to a waiver of the written form requirement. Should provisions of these GTCBs be or become invalid, the validity of the remaining provisions will be unaffected thereby.

The customer may not assign rights granted hereunder to third parties without our consent. German Commercial Code [HGB] § 354 a remains unaffected thereby.

The German wording controls in cases of doubt if the contract is drawn up in more than one language.

German law applies. Unless agreed otherwise and irrespective of the agreed upon Incoterm, the place of our registered office is the place of performance.

All cross-border legal disputes arising out of or in connection with the contract will be settled by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers of Commerce. The court of arbitration consists of three arbitrators. It sits in Zurich, Switzerland. German law applies unless national law inevitably conflicts with it.

If the customer is a commercial enterprise based in Germany, the place of our registered office is the exclusive place of jurisdiction. However, we are entitled to bring action against the customer at the court that has jurisdiction over the place of the customer's residence.