

General Terms and Conditions of Sale

I. Application of these terms

These terms and conditions of sale shall apply exclusively for all deliveries, offers and sales of SWF Krantechnik GmbH (hereafter "SWF"), unless otherwise agreed in writing. These terms and conditions have been deemed to be accepted by Purchaser upon acceptance of the order, but not later than upon the acceptance of the delivery. These terms and conditions of sale shall also apply for all permanent business relationships with Purchaser even if they are not expressly agreed at such future time.

II. Conclusion of contract

- All offers are non-binding. No contract has been made until our written confirmation of order has been given. The written order confirmation of SWF shall be authoritative with regard to the scope of the delivery. In the absence of such written confirmation, the offer of SWF shall apply.
- Amendments or modifications must always be confirmed in writing by SWF in order to be valid. Written orders will only be accepted.

III. Documentation and Software

- All technical documents and information regarding weights, services, operational costs, calculations, drawings etc. are only binding when this is expressly declared in writing. SWF retains exclusive ownership and copyright in all such delivered documents. Such documentation shall not be made available to third parties without the written consent of SWF and they shall be returned immediately upon demand.
- SWF shall retain the title to any software and documentation. To the extent that such software and documentation are included in the scope of the delivery, the Purchaser shall receive a royalty-free, non-exclusive and non-transferable license to use such software and documentation only in connection with the object of delivery and for no other purpose whatsoever.

IV. Standards of manufacturing

The delivery shall be in accordance with the technical standards and safety regulations used in Germany. The delivery, however, shall be delivered in accordance with the mandatory laws and regulations concerning safety prevailing in the country where the objects of delivery will be used. Purchaser shall inform SWF of such applicable mandatory regulations and laws in writing, and he shall bear the additional costs resulting from the adjustments in the delivered objects.

V. Price

- Unless otherwise agreed in writing, the prices shall apply from ex works manufacturing plant (EXW) net of VAT at the legal rate. Packing, transport, insurance or other additional costs shall be charged separately.
- SWF reserves the right to adjust the prices in the case of essential changes in costs, like in the material and labour costs or freight charges.
- Purchaser shall be responsible for all public charges (taxes, fees, customs duties, etc.) arising in connection with the contract outside of Germany.

VI. Terms of payment

- The payments shall be made to bank account without deduction in accordance with the agreed payment schedule, unless otherwise agreed. The VAT is due for payment by invoicing, taxable pre-payments being proportionally paid on the agreed payment dates. A payment is made in time when SWF has access to the payment.
- Whatever any part of the payment is to be made by means of Letter of Credit, Section VII. shall apply.
- After the due date, Purchaser is in default of payment without a reminder.
- In the case of a default of payment - irrespective of any other legal claims - SWF shall be entitled to an annual interest rate of 8% above the base interest rate of the European Central Bank or the highest rate permissible under the applicable law.
- Should Purchaser not meet his payment obligations or it becomes evident that Purchaser will not fulfil his contractual obligations, SWF is entitled to suspend his obligations and the open deliveries shall only be made against prepayment or security.

VII. Letter of Credit

- The Letter of Credit shall be irrevocable and transferable and confirmed, it shall allow partial shipments, charter party Bill of Lading and transshipments. The Letter of Credit shall provide that the rules in the "Uniform Customs and Practice for Documentary Credits (Revision 2007), ICC Publication No. 600" are applicable to the Letter of Credit.
- The Letter of Credit shall be established in a form acceptable to SWF not later than 30 days from the date on which the Contract is executed by SWF and it shall remain valid for a period of at least 30 days after the date of last delivery.
- The Letter of Credit shall be issued and confirmed by a first class international bank acceptable to SWF and it shall be payable at sight at the counters of a bank nominated by SWF against presentation of appropriate transport documents and a commercial invoice or other documents specified in the Contract.
- If SWF is unable to deliver the goods due to any reason outside of its control, the Letter of Credit shall be payable against the commercial invoice and the forwarding agent's receipt, or should Purchaser fail to name the forwarding agent, against the warehouse receipt.

- Purchaser shall pay all expenses including but not limited to those arising from the opening, confirming and extending of the Letter of Credit, unless otherwise agreed in the Contract.

VIII. Retention of title

- SWF shall retain the title of delivery until all the debts or receivables resulting from the sale contract with Purchaser are paid.
- In the event that the law of importing state does not permit the retention of title but grants the assertion of comparative rights, SWF shall be entitled to exercise all rights of this nature. Purchaser is obliged to take all action at his own cost, which are necessary in order to enable the rights in the delivered objects to become effective and remain so.
- Purchaser shall inform SWF immediately in writing in the case of seizure or other intervention by third party with regard to the delivery still under the ownership of SWF.
- Purchaser is entitled to resell the delivery in the ordinary course of business. Purchaser, however, already now assigns his claims to SWF arising from the resale of the delivery to third parties in order to secure our claims up to equal to the amount of the goods invoiced of which property is retained.
- Any processing or alteration of the objects delivered under reservation of title as well as combination of goods with foreign goods by Purchaser or third parties shall be carried out for SWF. SWF shall acquire co-ownership of the resulting new item with the corresponding value of the delivered goods.
- Purchaser is entitled to assert all his claims against his customer even after their assignment as long as he complies the terms of the contract and is not insolvent. The power of SWF to collect the claims is not affected thereby. However, SWF undertakes not to collect the receivables as long as Purchaser meets the payment obligations or he is not insolvent. Otherwise, SWF may demand that Purchaser indicate the assigned receivables and their debtors, give all data or particulars required for the recovery of the claims, submit all pertinent documents, and informs the debtors of such assignment.
- In breach of the contract by Purchaser, including but not limited to default of payment, SWF, after giving prior notice, shall be entitled to recover the goods delivered and the Purchaser shall return the same. Purchaser is liable for all damages arising from return of the delivery.
- The exercise by SWF of his right under the reservation of title clause shall not constitute a termination of the contract.
- During the retention of title, Purchaser shall be obliged to insure the delivery against the pertinent risks subject to the condition that SWF is entitled to the rights arising from the insurance policy. At the request of SWF, the insurance policy is to be presented to SWF.
- SWF undertakes to waive the right reserved in this clause insofar as their value exceeds the debts to be secured by more than 20 %, to the extent that they are not paid yet.

IX. Delivery term, passing of risk and acceptance

- Any agreed delivery term shall be interpreted according to the Incoterms® 2010 issued by the International Chamber of Commerce in Paris, if not otherwise agreed with the parties. If no delivery term is agreed, the delivery term shall be Ex Works (EXW) SWF manufacturing plant.
- The risk shall pass from SWF to Purchaser in accordance with the agreed delivery term. If no delivery term is agreed, the risk shall pass to Purchaser Ex Works manufacturing plant. This shall also apply to partial deliveries and to other additional performances agreed between the parties.
- Should the shipment or delivery be delayed through no default of SWF, the risk passes upon notification of the readiness for shipment.
- SWF shall be entitled to proceed with partial deliveries providing these are reasonable for Purchaser.
- Purchaser shall accept a delivery even in the case of minor defects. The right of Purchaser to warranty is not affected hereby.

X. Time for delivery and delay

- The written order confirmation of SWF shall be decisive with regard to delivery time. The delivery time shall be deemed to be complied with if deliveries have left the manufacturing plant or notification of the readiness for shipment has been given within the delivery time.
- The observance of the delivery time premises that SWF has received all documents in time from Purchaser, including the required approvals, releases, the clarifications, approval of drawings and plans, and the down payments and other preconditions agreed between the parties. The place of fulfilment for Purchasers obligations shall be in Mannheim.
- SWF is entitled to suspend the performance of its obligations in the event of mobilisation, war, revolt, strikes, lock-outs, acts of God or the occurrence of unforeseen events. This also shall apply if the delivery time has started to run. Unforeseen events are events which are beyond the control of SWF, including but not limiting stoppages, spoilage, unacceptable weather conditions, acts of government, traffic accidents or late deliveries of subcontractors, to the extent such event has an effect on the fulfilment of the contract within the agreed delivery time.
SWF will immediately inform Purchaser of such events and the expected duration of the events.
- Should the SWF be responsible for the delay and has the delay caused damages to Purchaser, he is entitled to get compensation for damage resulting from delay, excluding further claims due to delay. The damages shall be 0.5% of the

value of the delayed delivery for each full week of delay, maximum 5% of the value of the delivery delayed. The right of Purchaser to terminate the contract after reasonable extension of time, remains hereby unaffected.

5. Should SWF not be responsible for the late shipment or delivery, the risk of delivery passes to Purchaser and he pays the storage costs in the amount of 0.5% of the invoice amount for each month or part thereof, starting 14 days after notification of the readiness for shipment. The storage costs are limited to 5% of the invoice amount, unless higher costs can be proven. Furthermore, SWF, after giving the Purchaser a reasonable extension of time, is entitled to sent the delivery to Purchaser within a reasonable extension of delivery time.

XI. Warranty

The warranty period shall be 24 months from the date of passing of risk, or from the date when the delivery has been taken into use, which period ends the earliest. However, the warranty period for manual lifting equipment, trolleys and spare parts shall be 12 months from the date of passing of risk. SWF shall be liable for defects as follows:

1. Defects in deliveries, especially a construction defects or poor material, which prove to be defective within the period of this warranty as a result of circumstances existing prior to passing of risk, shall be, at the discretion of SWF, repaired or replaced free of charge.
2. SWF must be informed of such defects in writing without delay, stating the serial or order number and an adequate description of the defect. Damage in transit is to be noted on the carrier's delivery notes, and a copy shall be included in the notice of the defect.
3. SWF bears the direct costs for supplementary delivery or the replacement delivery including the cost of replacement part, shipping costs and the reasonable transport and personnel costs for the fitting and installation, which may be necessary.
4. Any replaced parts become the subsequent property of SWF, and they have to be sent back to the supplier for inspection without delay.
5. The warranty period for replaced or repaired parts shall be 12 months from the date or repair or replacement. However, this warranty period shall end at the latest when the warranty period of original delivered object expires.
6. Purchaser has to grant the required time and opportunity in order to enable SWF carry out all the repairs or replacement delivery appearing necessary at its own discretion. Otherwise SWF shall be released from any liability.
7. Excluded from the warranty are
 - natural wear and tear and parts which are subjected to premature wear due to its material properties or its type of use (in particular see 7.1 and 7.2);
 - damages resulting from incorrect storage, improper or careless handling or use, incorrect assembly or operation, excessive load, unsuitable operating material, improper installation, abnormal conditions of temperature, defective construction work or foundations, and unsuitable subsoil, chemical, electro-mechanical or electrical influences (in particular see 8);
 - operation, handling, maintenance and inspections have not been carried out properly and in accordance of SWF instructions;
 - repairs, changes or adjustments have been carried out without the consent of SWF;
 - spare parts not from SWF have been fitted;
 - circumstances for which SWF is not responsible.
- 7.1 Expendable parts in chain hoists are defined as:
 - chain guide, lifting chain, rubber buffer, sprockets, chain bucket, load hook, hook safety latch, friction and brake discs, control box cable, running wheels, wheel flanges, motor carbons (FNV trolleys)
- 7.2 Expendable parts for wire rope hoists are defined as:
 - rope guide, lifting rope, rubber buffer, rope sheave, load hook, hook safety latch, friction and brake discs, control box cable, running wheels, wheel flanges
8. If SWF components are installed and operated without original SWF electrics, frequency inverters or other SWF control systems, SWF assumes neither any warranty for the functionality of these components nor any liability for damages, consequential damages and losses to machine or personal injury resulting from the non-use of original SWF control systems.
This is also applicable especially if SWF components are installed in existing equipment not from SWF or if they are installed without SWF knowing the actual purpose of the components.

XII. Purchaser's right of termination

Purchaser shall have the right to terminate the contract with a written notice if

1. the fulfilment of the contract becomes impossible to SWF. By a partial impossibility, Purchaser has the right to terminate the contract, if it can be proven that he has justified interest to refuse the partial delivery; furthermore, he is entitled to a reasonable reduction of the purchase price. If the impossibility occurs during or due to the default of Purchaser, he remains obliged to pay the contractual counter-performance. Should neither of the parties be responsible for the impossibility, SWF shall be entitled to a partial payment corresponding delivery provided by SWF.
2. he has declared in writing that he will terminate the contract, if SWF fails to perform within an additional period of time and SWF is responsible for the delay or the defect in accordance with warranty clause.

XIII. SWF's right of termination

SWF is entitled to terminate the contract any time in whole or in part should unforeseen circumstances fundamentally affect the commercial intent or content of the delivery or if the economic situation of Purchaser is fundamentally worsened. Should SWF terminate the contract, it shall inform Purchaser immediately after it becomes aware of the event giving the reason to the termination.

XIV. Limitation of liability

1. SWF's liability under the Contract shall be limited to the amount of the actual direct damages incurred by Purchaser or to the price paid by Purchaser to SWF for the delivery or to the replacement of the delivery, whichever is the lowest. Any further liability or claims for damages over those mentioned in the above clauses under any legal grounds whatsoever shall be excluded. In no event shall SWF be liable for any special, punitive, incidental, indirect or consequential damages, including but not limited to loss of production, financial loss, loss of profit, loss of use or loss of contracts.
2. This limitation of liability shall not apply in cases of intent, gross negligence of SWF, injury in life, body or health or the culpable breach of fundamental contractual obligations. In the breach of fundamental contractual obligations, SWF shall only be liable for reasonable foreseeable damages typical for the type of contract, in the absence of intent and gross negligence or injury to life body or health. The exclusion of liability shall also not apply where the liability is compulsory under German Product Liability Act.

XV. Assignment of contractual rights

Purchaser is not entitled to transfer his contractual rights to a third party without the prior approval of SWF.

XVI. Settlement of disputes and jurisdiction

1. Any disputes arising out of or in connection with these Terms or the Contract shall be finally settled under the rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The arbitration shall take place in Hamburg. The language of the arbitration proceedings shall be English.
2. Any disputes arising out of or in connection with these Terms or Contract with Purchaser, who has the domicile in Germany, shall be settled in court proceedings in Mannheim.
3. SWF is also entitled to take action at the courts of the Purchaser's place of domicile.

XVII. Applicable law and separability and data protection

1. The entire business relationship and contract shall be governed by German law.
2. The invalidity or enforceability of any provisions of the Contract shall not impair the validity or enforceability of any other provisions, provided, however, that the Contract shall be reformed to the maximum extent to carry out the basic principles of contract.
3. SWF wish to point out that the personal data of Purchaser shall be saved and processed in accordance with the Federal Data Protection Act of Germany.

SWF Krantechnik GmbH

Mannheim, 01.01.2011