

I. Offer, Conclusion of Contract

1. The following terms are binding for all orders and deliveries. They are acknowledged by the customer when ordering or, at the latest, when accepting the first shipment/service and are valid during the whole duration of the business relation. Amendments made by telephone or orally, or customers' business terms differing from ours are hereby rejected. They can only be considered binding for us if we have confirmed them in writing.

2. Our offers are to be considered as subject to alteration. Orders are regarded as accepted as soon as we have confirmed them in writing. If the shipment/service is carried out immediately without confirmation, the invoice, at the same time, is to be considered as confirmation of order. Orders of serial sizes will be confirmed within 2 weeks. For special versions this period of time is prolonged by the time necessary to total clarification of the technical data and the delivery times for supplies needed to produce the centre/s in question.

3. In the case of special tools, deliveries of up to 10% in excess or below the quantity ordered, but of at least 1 piece, are permissible. The respective quantity of the shipment will be invoiced.

4. Any details regarding weights, dimensions, performance and other technical data cited in our leaflets, catalogs and other documents are only approximately substantial, if they are not especially declared binding.

5. We reserve any alteration of construction or form of the contractual subject as far as it is not altered in a way unreasonable for the customer.

II. Shipment and Prices

1. We ship ex works, excluding packaging, on account and responsibility of the customer. If the order amounts to less than EUR 250.--, we reserve the right to levy a handling charge.

2. Our prices are quoted without VAT; it will be added at the bottom of the invoice if its payment is required by law.

3. Any dates of delivery that have been promised are to be considered non-binding and are subject to the reserve of correct and in-time delivery of materials and parts to our company. The time allowed for delivery is extended appropriately in the case of measures taken due to industrial action, especially strike and lockout, or if unforeseeable events not within our responsibility occur. We are also not to be held responsible for the incidents described above when they take place during a delay already existing. In important cases we will inform the customer about the beginning and ending of such impediments to the business as soon as possible.

4. In the case that, as an exception, a fixed delivery date has been agreed upon, the following will be valid: Should the shipment be delayed and the customer is hereby suffering a loss, he has the right to the payment of lump-sum damages for delay. For every full week of delay they amount to 0.5%, in total, however, to a maximum of 5% of the value of the respective part of the complete delivery that, due to the delay, cannot be used in time or according to contract.

III. Payment and Delay in Payments

1. All payments have to be effected upon special agreement without any deductions. Sales representatives are not authorized to collect payments.

2. Payment by bill of exchange is only possible if agreed upon, if discount costs are refunded and only if the bill is honored.

3. Should a delay in payment occur, an interest on arrear of 8% over the basic interest rate is to be paid. A delay in payment entitles us to withdrawal from the contract without notice. In the case of a delay in payment of a single invoice, the total of our claims originating from transactions with the customer becomes payable at once.

IV. Orders of goods on call

1. Orders on call that have been confirmed by us as such have to be - as far as nothing else has been agreed upon - purchased within one year at the latest after the order has been placed.

V. Reservation of Property Rights

All goods remain our property - save in the case of their re-sale in an orderly business transaction - until the purchase price and all our claims originating from any delivery of goods already effected have been entirely paid. The customer's claim deriving from the further sale of our goods we delivered under reservation of the property right as well as all subclaims deriving from that are transferred to us already at this moment. The customer is entitled to collect the claims he transferred to us as

long as he complies with his liability to pay towards BRUCKNER. When the reserved-property good is further processed we acquire property of the new product. When the reserved-property good is processed or mixed with other objects we acquire the co-ownership according to the part value.

2. When selling the goods under reservation of property rights, the customer is obliged to register the purchase-price claim against any third party in a way that can be verified at any time so it is recognizable that we are entitled to the claim.

3. The reservation of property rights also remains valid when our claim originating from the delivery of the reserved-property good is put into a current account and the final balance is made and acknowledged.

4. The customer commits himself to sell the reserved-property good also under reservation of property rights.

5. Pawning or transfer as a security of the reserved-property good or the transferred claims as well as factoring are inadmissible.

6. On our request the customer has to inform us about the identity of the debtors of the transferred claims, make all statements necessary for collection and hand over the documents referring to the respective case. We can indicate the transfer of the claims to the debtors.

7. The customer has to inform us immediately about a pawning or another impairment by a third party of the delivered good. All costs arising to us due to the pawning have to be borne by the customer.

8. We are entitled to take the delivered good back if delays in payment, impending discontinuation of payments, in the case of dissatisfying information about the customer's ability to pay or his assets occur or if there are execution proceedings or a lawsuit resulting from the protest of a bill. The customer is obliged to return us the goods. The customer also bears all costs originating from the taking back of the goods and their further processing.

9. The customer's petition for opening proceedings of insolvency entitles us to cancel the contract and insist on the immediate return of the delivered good.

VI. Complaints

1. The customer is entitled to complain immediately about obvious, recognizable defects, at the latest, however, within a period of 8 days after receipt of the delivery.

2. In the case of a justified complaint payments can only be withheld in an adequate relation to the defect occurred.

VII. Guarantee and Liability

We are liable for defects in delivery as follows:

1. All those parts that, within 12 months from the date of delivery, have become unusable or whose usability has been severely limited by an incident taking place before the transition of the risks, especially faulty design, defects of the material or of construction, are to be repaired or replaced free of charge according to our just estimation. If defects are discovered, they have to be reported immediately in writing (obligation to complaint). Any violation of this obligation frees us from all liabilities. We are permitted to attempt the repair several times. Any repairs are only to be undertaken by our company. The customer has to give us the necessary time and possibility for this purpose. If he does not, we are liberated from the liability for defects of the good. Replaced parts become our property.

In the case of an obligation to repair newly produced goods on our part we are only obliged to refund the customer's costs resulting from the repair, especially costs of transportation, carriage and possible costs of work and material, however, not for defects exceeding this, as far as we have not committed an act of culpable negligence.

2. Should the customer or a third party undertake improper repairs, we are not to be held liable for the effects resulting thereof. If the customer or a third party undertake any repairs, damage or amendments of the good without our consent that are connected to the defect asserted, our liability ceases.

3. We will not take any liability in the following cases: unsuitable or improper use, faulty installation or commissioning by the customer or a third party, natural wear and tear, faulty or negligent handling, improper maintenance, improper working materials, chemical, electrochemical or electric influence.

4. In the case of our being held liable for newly manufactured material we are only obliged to refund the customer's expenses incurred for the repair, especially transportation fees, travelling allowance, and possible work and material costs, but not any damages beyond that, as far as gross negligence from our side can be excluded.

5. We are not to be held responsible for defects of the material delivered by the customer. When making a centre according to the

customer's drawing we are only to be held responsible for manufacturing in accordance with the drawing.

6. For substantial products manufactured by another company our

liability is limited to the transfer of the claims we are entitled to against its supplier.

7. Further claims of the customer, especially a claim to compensation for damage not incurred on the object supplied, are excluded. This exclusion of liability is not valid in the case of intention or culpable negligence of our legal representatives or executives.

VIII. Liability for Secondary Duties, other Liabilities

1. The instructions regarding the use of our products made in our general documents of sale, proposals, projections etc. do not liberate the customer of his obligation to convince himself that our products are suitable for the purpose intended by him. Liability claims resulting from culpable violation of the secondary duties we are obliged to are excluded in any case, as far as there is no culpable negligence or intention for the part of our legal representatives or executives. Should this situation arise, they are limited to a maximum of 5% of the value of the respective service or good.

IX. Right of the Supplier to Rescission

1. If the carrying out of an order that is to be executed in accordance to a design or a drawing provided by the customer is not possible because of lack of technical or technological requirements (e.g. faulty design), we have the right to rescind partly or totally from the contract. The customer is not entitled to compensation because of such a rescission.

X. Protection Rights

1. We reserve the property rights and the copyrights on all of our pictures, sketches and drawings. Any use, publication, imitation or duplication without our explicit consent is prohibited.

2. The customer takes over the sole responsibility for all documents, drawings, samples or the like of those which he has to furnish. The customer has to guarantee that the drawings necessary for the carrying out of the order do not violate the protection rights of a third person or legal body. We have no obligation of verification toward the customer if any protection rights of a third party have been violated by submitting offers according to drawings the customer has submitted, unless we or an executive are culpable of intention or gross fault. Should we be held responsible by a third party, the customer has to exempt and indemnify us.

3. Working materials that have to be manufactured for making the contractual items remain our property and are not to be handed over, even if they are invoiced totally or partly.

XI. Place of Fulfilment of the Contract and Court of Jurisdiction

1. The court of jurisdiction is the court of competent jurisdiction for the place of business of the supplier. However, the supplier is entitled to file suit at the main place of business of the customer.

2. For all contractual relations the laws of the Federal Republic of Germany are exclusively valid.

XII. Miscellaneous

1. We expressly declare our readiness to the customer to negotiate contractual clauses with other contents than those stated in the present General Terms of Trade.

2. Should single clauses become inoperative, this will not affect the validity of the entire contract. If one of our regulations is inoperative, the regulation provided by law takes effect.

3. We will store the customers' data relevant to our business relation by means of electronic data processing.

April 2007

Karl Bruckner GmbH
Präzisionswerkzeugfabrik
Bruckwiesenstraße 13
71384 Weinstadt

Business location: Weinstadt
Court of competent jurisdiction:
Amtsgericht Stuttgart HRB 260447