1. Definitions

In these General Terms and Conditions, the word:
1) "KWE" shall mean Kobe Welding of Europe B.V. and its subsidiary companies;
2) "Buyer" shall mean the person or company to whom the Offer is placed.
3) "Goods" shall mean the products and related services and work to be furnished by KWE under the Contract.
4) "Offer" shall mean the offer placed by the Buyer to KWE for the supply of the Goods.
5) "Contract" shall mean the terms and conditions of sale agreed by the Buyer in its order or otherwise not to be considered in the Contract. The Buyer shall be deemed to have accepted the Offer or KWE when the Buyer accepts the Offer.
6) "Delivery Time" shall mean the date on which the Goods shall be ready for dispatch from KWE.
7) "Specifications" shall mean any technical descriptions, drawings of the Goods or other instructions contained or referred to in the Contract.

2. Complete Agreement

1) The Offer is valid for a period of [fourteen (14) days] from the date of issue, unless otherwise expressly stated in the Offer, provided however that KWE may revoke the Offer at any time prior to receiving the Buyer's acceptance.
2) The Contract shall become binding and deemed to have been entered into by and between KWE and the Buyer when the Buyer accepts the Offer.
3) These General Terms and Conditions shall form an integral part of the Contract. Any terms and conditions of sale previously agreed by the Buyer in its order or otherwise not to be considered in the Contract. The Buyer shall be deemed to have accepted KWE's "General Terms and Conditions of Sale" unless the Buyer has specified specific exceptions thereto in writing and such exceptions are accepted by KWE prior written acceptance in the Contract.

3. Price and Payment

1) Price

a) Price for the Goods specified in the Contract shall be the basis of final settlement unless otherwise agreed in writing.

b) Price for the Goods shall include: Value Added Tax (VAT) and any and all of taxes, duties or other charges which may be imposed in connection with the supply of the Goods, unless otherwise expressly agreed. If KWE is for any reason required to pay any such charges, the Buyer shall reimburse KWE for those costs incurred, without deduction, below in respect of KWE's payment therefor.

2) Payment

a) If no payment terms are agreed by KWE, the Buyer's payment under the Contract shall be made in advance before delivery of the Goods.

b) Payment shall be made in [Euro] without any deduction, set-off or counterclaim of any kind whatsoever, unless otherwise indicated on the invoice.

3) Delay in Payment

a) Prompt payment of the amounts due in the Contract and delay in paying any part shall, at KWE's option, operate as a fundamental breach of this Contract. All costs incurred by KWE as a result of non-payment or delay in payment by the Buyer including collection costs and attorney's fees, shall be payable by the Buyer.

b) In this regard, KWE may charge at least 0.5% (Five Percent) per month under the Buyer to cover all administrative costs.

Past due payments shall bear interest compounded daily at the lesser of (i) [5%] per annum, or (ii) the maximum rate of interest permitted by law.

4) Delivery

1) KWE will perform the delivery of the Goods as described in the Contract. KWE, at its sole option, is entitled to divide and deliver the Goods in full pallets.

2) If the Delivery Time is agreed, delivery shall be made according to KWE's capacity planning.

3) Delivery of the Goods shall be made. If Works (Invoices 2011 KWE) shall apply unless otherwise expressly agreed. Upon delivery, such delivery shall be deemed completed.

4) If it becomes apparent to KWE that delivery of any of the Goods will be delayed, KWE shall forthwith notify the Buyer of the foreseeable extent of such delay and shall, from time to time thereafter, notify the Buyer whenever the nature or foreseeable extent of such delay shall change.

5) Should the delivery be delayed by more than [eight (8) weeks], the Buyer is at sole risk for insurance and shall terminate and cancel the purchase of the Goods delayed by giving written notice to KWE.

6) In the event that the quantity of the Goods is agreed on a basis of weight, the quantity to be supplied can be adjusted by KWE to deviate up to 10% (+/-) from the agreed weight of the delivery for each type of product grade, and the price shall be adjusted accordingly. The weight or quantity stated or otherwise stated on the Goods supplied by KWE shall be deemed to be correct, unless proved otherwise.

7) In no event shall KWE be liable for any direct or indirect damage or consequences attributed to a delay in the event of KWE's gross negligence.

5. Title and Risk of Goods

1) The risk of loss or damage to the Goods delivered under this Contract shall pass to the Buyer in accordance with Clause 3 thereof.

2) Title to the Goods delivered under this Contract shall pass to the Buyer at the time of completion of payment of the price for the Goods delivered to the Buyer by the KWE, or if no payment terms are agreed, upon the due payment of the full price for the Goods delivered to the Buyer by the KWE, or if no payment terms are agreed, upon the due payment of the full price for the Goods delivered to the Buyer.

3) KWE holds the title to the Goods delivered until the Buyer: (i) makes full payment for the Goods; or (ii) makes full payment of all other monies due from the Buyer to KWE.

4) Until the title of the Goods passes to the Buyer, KWE shall be entitled to repossess and to sell any of the Goods in the Buyer's possession or control. In the event that KWE is unable to obtain the title to the Goods, KWE will be entitled to recover any of the Goods, wherever they may be found, and such goods are stored to collect such goods.

6. Inspection, Test and Notice

1) The Buyer, at the Buyer's expense, shall be obligated to inspect the Goods when (1) (i) pursuant to the notice of KWE thereon, or (ii) delivered to the Buyer in accordance with the Contract or (iii) received from KWE when the Buyer is notified thereof by KWE in writing. Inspections, tests and any other information regarding the goods will only be binding on KWE if expressly referred to in the Contract.

2) In the event of any latent defects or shortages in the Goods, the Buyer shall give notice to KWE in writing of it. Such inspection, however, does not relieve KWE from any obligations thereunder.

3) The Goods shall meet the Specifications. If no specifications are agreed, the Goods shall meet the general specifications of KWE at all times of delivery. Statements presented in product information, handbooks, web sites, press or any other information regarding the goods will only be binding on KWE if expressly referred to in the Contract.

7. Warranties

1) KWE, as manufacturer, warrants that the Goods shall be free of any defects in material, design and workmanship, title, and that the Goods shall be as expressly set forth in the previous paragraph. In the preceding sentence, KWE makes no warranties of merchantability, or fitness for a particular purpose, of special circumstances, nor any other warranties whether written or oral, statutory, expressed or implied.

2) For defects that could not reasonably have been detected upon arrival of the Goods, the Buyer will notify KWE of it in writing. However, KWE has no liability for defects to conform to the Contract, including but not limited to non-conformity of the Specification, unless KWE receives notice thereof at the latest within a period of [six (6) months] from the date of delivery.

3) If the Goods fail to meet the above warranty, KWE shall, at its sole option, replace or undertake and/or perform such remedial work as is necessary to ensure that the product conforms to the stated set out in the warranty is in a timely manner. The above remedial actions shall be the sole liability and obligation of KWE with respect to any claim that the product fails to meet the warranty. KWE shall not be liable for any incidental or consequential or indirect damages resulting from the use of the product including but not limited to damages relating to the use or loss of use of the equipment, or delays in manufacture, production, delivery, plant operations and/or loss of income, reputation in contract, suit or otherwise. In no event shall any damages in the appropriate payable by KWE as a result of any claims of any kind made exceed the price of the Contract.

8. Suspension of Performance

1) KWE may suspend the performance of its obligations if, after the conclusion of the Contract, it becomes apparent that the Buyer will not perform a substantial part of its obligations as a result of:

a) a serious deficiency in its ability to perform or in its creditworthiness; or

b) conduct in preparing to perform or in performing the Contract.

2) It is considered as becoming apparent that the Buyer will not perform its obligations if it has failed or failed to make any payment due under a previous contract made with KWE prior to any payment under a subsequent contract.

9. Force Majeure

1) Neither party shall be liable for delay in performing or failure to perform its obligations if the delay or failure results from an important outside event not outside its reasonable control such as war, terrorism, fire, explosion, flooding, with Chinese law theory.

2) The party which delays in performing or fails to perform its obligations due to the impediments set forth above shall give notice to the other party of the impediment on its obligations and its purpose of action to the extent of such non-occurrence, damages for damages resulting from such non-occurrence.

3) Delay or failure due to such impediment shall not constitute breach of contract, with the effect that the affected party is released from liability for delay and all commercial claims against the other party.

4) The time for performance shall be extended by a period equivalent to that during which performance is so prevented.

5) If a delay or failure in performance for more than [thirty (30) months], other party shall be entitled to terminate the Contract in respect of the Goods not yet delivered to the Buyer. In such event of such non-occurrence, neither party will be entitled to any compensation, provided however that any premises for the Goods not delivered shall be reimbursed and KWE in transit not delivered shall be restored.

10. Termination

1) In the event of a breach of this Contract, the non-breaching party shall provide written notice to the party in breach requiring it to remedy such breach. Should the party in breach fail to remedy such breach within [ten (10)] days after receipt of such notice, or within any other breach occurring under the Contract, the non-breaching party shall, within thirty (30) days of the breach, and remain under this Contract, be entitled to terminate this Contract forthwith upon notice thereof in whole or in part.

2) A party may forthwith terminate this Contract in whole or in part upon a written notice if the other party a) becomes insolvent or fails or voluntarily or by operation of law or otherwise or by operation of law for the purposes of the Contract or (b) is declared bankrupt or has been adjudged bankrupt or has been dissolved.

3) The provisions of the Contract are severable. To the extent that any of the provisions of the Contract prove to be in conflict, illegal or unenforceable in any respect under any laws, the validity, legality and enforceability of the other provisions of the Contract will not be affected or impaired in any way.

11. General Limitation of Liability

Except as otherwise expressly provided in this Contract, the parties expressly agree that in no event shall either party recover any damages for any special, incidental, punitive, or consequential damages, including but not limited to lost profits and damages resulting from loss of use, loss, loss or inability or the other party to perform. Any party expressly waives any claims described in the preceding sentence.