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General Terms and Conditions of Purchase

I. Overriding General Terms and Conditions

All contracts between WIRTGEN JAPAN CO., LTD ("WIRTGEN") and its suppliers (Suppliers) shall be exclusively subject to the following General Terms and Conditions of WIRTGEN. Any agreements between said parties, modifications and collateral agreements thereto shall only be valid if made in writing. Any reference by the Supplier to its own General Terms and Conditions shall be deemed invalid. These terms of purchase shall apply even if WIRTGEN is aware of any conditions of the Supplier that conflict with these terms of purchase and WIRTGEN accepts delivery of products or services by the Supplier or pay for the same. These terms of purchase shall also apply to all future deliveries and services by the Supplier in respect of all products which WIRTGEN purchases from the Supplier until such time as new terms of purchase should take effect.

II. Orders

2.1 Supply contracts (orders and acceptance) and call-off orders as well as additions and modifications thereto must be made in writing. Orders and call orders may be effected by telecommunication.

2.2 If the Supplier does not accept an order within three weeks of receipt, WIRTGEN shall be entitled to cancel the order. Call-off orders shall become binding, at the latest, if they are not refused by the Supplier within two weeks of receipt.

2.3 WIRTGEN may demand such modifications to the construction and design of the goods as may be reasonably expected of the Supplier, in which case an appropriate mutual arrangement shall be made to allow for the consequences thereof, particularly in respect of the increased or reduced costs involved and the time allowed for delivery.

2.4 Cost estimates and offers of any kind shall be binding and free of charge.

III. Payments

3.1 In case of acceptance of early deliveries, the due date for payment shall be based on the originally agreed delivery date.

3.2 In case of defective delivery WIRTGEN shall be entitled to withhold payment in proportion to the value of the defective delivery until the order has been properly fulfilled.

3.3 Without WIRTGEN's prior written consent, which may not be unfairly refused, the Supplier shall not be entitled to assign its accounts receivable from WIRTGEN or have third parties collect them. In case of extended reservation of title, said consent shall be deemed given.

3.4 Prices may not be changed without WIRTGEN's consent.

3.5 Unless otherwise provided, payments shall be effected by WIRTGEN at a 3% cash discount within 14 days of receipt of the goods or net within 30 days.

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3.6 Unless otherwise provided, all prices shall apply DDP as per Incoterms currently in effect and shall include packaging. The prices shall not include any applicable consumption tax and local consumption tax. The Supplier shall bear the material risk until acceptance of the goods by WIRTGEN or WIRTGEN's authorized recipient at the stipulated place of delivery.

IV. Notice of defects

WIRTGEN must notify the Supplier of any defects immediately and in writing as soon as they are detected under the prevailing conditions in the ordinary course of business. To this extent the Supplier waives any defence based on late notification of defects.

V. Secrecy

5.1 Unless and until such time as it may demonstrably become public knowledge, all business or technical information to which WIRTGEN provides access (including features that may be gleaned from objects, documentation or software provided, and any other know-how) shall be kept secret from third parties and may only be made available to persons at the Supplier's own facilities who must be involved in order to use such information for the purpose of supplying WIRTGEN and who shall be likewise enjoined to secrecy. WIRTGEN shall retain exclusive ownership of said information, which may not be reproduced or commercially used without WIRTGEN's prior written consent except for the purpose of supplying WIRTGEN. If WIRTGEN so requests, all information WIRTGEN has provided (including any copies made or records thereof) and any objects WIRTGEN has lent must be returned to WIRTGEN, immediately and in full, or destroyed. WIRTGEN reserves all rights to such information (including copyrights and the right to register industrial property rights, such as patents, utility models etc.). If the information has been made accessible to WIRTGEN by third parties, this reservation of rights shall also apply for the benefit of those third parties.

5.2 Products that are manufactured according to documents designed by WIRTGEN, such as drawings, models, forms, dies or the like, or according to WIRTGEN's confidential information or using WIRTGEN's tools or reproductions thereof, may not be used by the Supplier for its own use or offered or supplied to third parties. The same applies mutatis mutandis to WIRTGEN's printing orders.

5.3 Subcontractors shall be enjoined accordingly.

5.4 The contracting parties may not make use of their mutual dealings for advertising purposes without the other's prior written consent.

VI. Delivery dates and deadlines

Dates and deadlines stipulated in a sales order shall be binding. All delivery dates and deadlines refer to receipt of the goods, including all necessary documents, by WIRTGEN. If delivery "ex works" is not stipulated, the Supplier must make the goods available in good time, taking the usual time of transportation into account.

The Supplier may be required to furnish proof of having effected delivery.

WIRTGEN reserves the right to send back goods that are delivered too early. Additional expenses thereby incurred shall be borne by the Supplier. The Supplier shall remain obliged to

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deliver the goods at the appropriate time.

VII. Delayed delivery

7.1 The Supplier shall be liable to WIRTGEN for any losses due to late delivery.

7.2 Unless otherwise provided, the Supplier shall pay WIRTGEN for and/or in respect of the damages caused by any delay of the Supplier, an amount calculated by (a) multiplying the order value by 14.6%, then (b) dividing such amount in (a) by 365, and then (c) multiplying the amount of (b) by the number of days in the delay period.

7.3 WIRTGEN reserves the right to claim greater proven damages.

7.4 If WIRTGEN accepts late delivery or performance without reservation, that shall not be deemed a renunciation of any damages to which WIRTGEN are entitled for late delivery or performance.

VIII. Force majeure

In the event of force majeure, industrial disputes, civil unrest, official action or other unforeseeable, unavoidable and serious occurrences, the contracting parties shall be released from their obligations of performance for the duration of the disturbance and to the extent of its impact. This shall apply even if the party affected is already in default of performance when these events occur. As far as may be reasonably expected, the parties shall immediately furnish the necessary information and adjust their obligations to the altered circumstances in good faith.

If necessary, the Supplier must furnish proof of the impact of the force majeure on the order in question.

IX. Quality and documentation

9.1 In respect of its delivery, the Supplier must adhere to generally accepted engineering standards, regulations regarding safety, accident prevention and protection of employees, standards of industrial medicine, the stipulated technical specifications and consumer protection regulations. All necessary safety regulations must be furnished by WIRTGEN in writing with each shipment. Modifications may not be made to the goods without WIRTGEN's prior written consent.

9.2 In the absence of any firm agreement between the Supplier and WIRTGEN regarding the nature, means, methods and extent of testing, WIRTGEN shall be prepared, at the Supplier's request, to discuss the testing with the Supplier, to the extent of its know-how and capabilities, in order to determine the level of testing technology that needs to be applied to the goods in question.

9.3 With regard to the technical documentation, moreover, the Supplier must keep separate records as to when, in what manner and by whom the goods have been tested for the features requiring documentation and as to the results of the required quality tests. The test records must be kept for 10 years and submitted to WIRTGEN if required. The Supplier must make the same requirements of its own suppliers to the extent provided by law.

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9.4 If the authorities should order an inspection of WIRTGEN's production sequences and its test records to check for conformity to certain requirements, the Supplier agrees, if so requested by WIRTGEN, to accord the authorities the same rights in its facilities and to provide all reasonable assistance.

X. Warranty

10.1 Acceptance of delivery shall be subject to reservation as to the results of an inspection to ensure that the shipment is free from defects and, in particular, accurate, complete and serviceable.

10.2 Unless otherwise provided hereinafter, the provisions of law regarding material defects and defects of title shall apply.

10.3 As a rule, in case of defective delivery, WIRTGEN shall be entitled to demand subsequent performance in the form of its choice.

10.4 If the Supplier does not begin remedying the defects immediately upon receipt of WIRTGEN's request to do so, WIRTGEN shall be entitled in cases of urgency, particularly to avert imminent dangers or greater losses or damage, to remedy the defects by WIRTGEN itself or through third parties at the Supplier's expense. Claims for material defects shall become statute-barred 24 months after commissioning of the goods or installation of the spare parts in question or, at the latest, 30 months after delivery to WIRTGEN unless the goods have been utilized for a construction in accordance with their customary use and have caused the defectiveness thereof.

10.5 In case of defects of title, moreover, the Supplier shall indemnify WIRTGEN against any existing third-party claims. Claims for defects of title shall become statute-barred after 10 years.

10.6 For parts of the goods supplied that are repaired during the period of limitation for WIRTGEN's claims for defects, the period of limitation shall begin to run anew from the point at which the Supplier has satisfied in full WIRTGEN's claims for subsequent performance.

10.7 The Supplier shall bear any expenses WIRTGEN incurs due to defective delivery of the contractual goods, particularly costs of shipping and transport, labour, materials or a more extensive than usual inspection of the incoming goods.

10.8 If, due to defects in the contractual goods supplied by the Supplier, WIRTGEN recalls products WIRTGEN has manufactured and/or sold or if the purchase price WIRTGEN obtains is reduced or any other claims are asserted against WIRTGEN due to said defects, the Supplier shall compensate WIRTGEN for any and all damages caused by such defects, in which case WIRTGEN need not allow the Supplier the period of time otherwise required to remedy the defects.

10.9 WIRTGEN shall be entitled to demand of the Supplier reimbursement of any expenses WIRTGEN has had to bear in WIRTGEN's dealings with the customer in question because the latter has asserted a claim against WIRTGEN for reimbursement of expenses necessary for

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subsequent performance, particularly costs of shipping and transport, labour, materials and import/ export duties.

10.10 Notwithstanding clause X(4), WIRTGEN's claims in cases as per clauses X(8) and X(9) shall become statute-barred not less than two months after WIRTGEN has satisfied the claims asserted against WIRTGEN by WIRTGEN's customer, though not more than five years after delivery by the Supplier.

10.11 If a material defect appears within six months of the transfer of risk, it shall be presumed that the defect already existed at the time of the transfer of risk, unless this presumption is incompatible with the nature of the goods or defect in question.

10.12 If a sample is sent by the Supplier, the properties of the sample shall be deemed warranted. The goods delivered must be in conformity with the sample. If the goods are custom-made, e.g. based on drawings, the latter shall take precedence over the sample.

10.13 The Supplier shall maintain a quality assurance system, the nature and scope of which must be suitable and up to state-of-the-art standards, and shall furnish proof thereof upon request. The Supplier undertakes to satisfy in full the quality requirements specified in the supply contract in respect of the goods supplied, production methods and documentation.

10.14 If any claims in respect of products are asserted against WIRTGEN by third parties, the Supplier shall compensate WIRTGEN for any and all losses caused by such claims.

XI. Product liability and recall

11.1 The Supplier promises to take out public and product liability insurance with an adequate sum insured: the policy must also cover measures to remedy defects in parts, accessories or fixtures in motor or rail vehicles or watercraft if these products, when delivered by the Supplier or third parties acting on its orders, were manifestly intended for use or installation in motor or rail vehicles or watercraft. Any further claims for damages to which WIRTGEN is entitled shall not be thereby affected.

11.2 If any claims are asserted against WIRTGEN for infringement of official safety regulations or under Japanese or foreign product liability rules or laws, the Supplier shall be required to indemnify WIRTGEN against such claims if and to the extent that the loss or damage was caused by a defect in the goods delivered by the Supplier. In cases of liability based on fault, however, this shall apply only if the Supplier is at fault. To the extent that the Supplier is responsible for the loss or damage it shall bear the burden of proof. In the foregoing cases the Supplier shall bear all costs and expenses, including the costs of any legal or recall action that WIRTGEN may take upon due and proper consideration of the matter. This shall also apply if public authorities oblige WIRTGEN to undertake a such recall action or if such a recall action is undertaken by a third party on behalf of WIRTGEN. Except as otherwise provided in the foregoing, the pertinent provisions of law shall apply.

XII. Execution of work

Any persons employed or engaged by the Supplier who carry out work on WIRTGEN's premises

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in performance of the contract must observe all applicable company regulations of WIRTGEN. WIRTGEN accepts no responsibility for any accidents that occur to these persons on said premises unless they are caused by intentional or grossly negligent dereliction of duty on the part of WIRTGEN's statutory representatives or vicarious agents.

XIII. Provision of materials

Any materials, parts, containers or special packing WIRTGEN provides shall remain WIRTGEN's property and may only be used for the purposes intended. The processing of materials and assembly of parts shall be carried out for WIRTGEN. It is agreed that, in the ratio of the value of the materials provided to the aggregate value of the product, WIRTGEN shall be co-owners of the products that are manufactured using WIRTGEN's materials and parts, which products the Supplier shall hold in safekeeping for WIRTGEN with the care of a good manager.

XIV. Intellectual Property rights

14.1 Provided that the goods are used in accordance with the terms of the contract, the Supplier shall be liable for any claims for infringement of intellectual property rights or of applications for the same (hereinafter subsumed under the term "intellectual property rights").

14.2 The Supplier shall indemnify WIRTGEN and its customers against any and all claims resulting from the use of such intellectual property rights.

14.3 The contracting parties undertake to notify each other immediately of any risks of infringement that should come to their knowledge and coordinate efforts to oppose any alleged claims for infringement.

14.4 Upon inquiry by WIRTGEN, the Supplier shall report the use of published and unpublished intellectual property rights – of its own or licensed – in the goods and of applications for the same.

14.5 WIRTGEN shall be entitled to use any software appertaining to the products to be supplied, including the documentation for the same, to the extent permitted by law as well as to use it with the stipulated performance features and to the extent necessary for contractual use of the product. Copies may also be made for this purpose. WIRTGEN shall be allowed to make a backup copy even without any express agreement to that effect.

XV. Use of production materials and WIRTGEN's confidential information

Models, matrices, stencils, patterns, tools and other production materials as well as confidential information that are provided to the Supplier by WIRTGEN or paid for in full by the WIRTGEN may not be used to supply third parties without WIRTGEN's prior written consent.

XVI. General provisions

16.1 If either contracting party should stop payments or file for bankruptcy or insolvency proceedings (including but not limited to bankruptcy, civil rehabilitation, corporate reorganization and special liquidation proceedings), the other party shall be entitled to rescind the as yet unimplemented part of the contract.

16.2 If any provisions of these General Terms and Conditions or of other agreements made by

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and between the parties should be or become invalid, the validity of the rest of the contract shall not be thereby affected. The contracting parties shall be obliged to replace the invalid provision with an arrangement that comes as close as possible to it in terms of its economic effects.

16.3 The contractual relations between the parties shall be exclusively governed by Japanese laws to the exclusion of conflicting law and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

16.4 The place of performance shall be WIRTGEN's registered office. A different place of performance may be agreed for delivery.

16.5 The competent court having jurisdiction over the head office of WIRTGEN shall have the sole and exclusive jurisdiction over any legal dispute arising from the contractual relations between the Supplier and WIRTGEN, including but not limited to claims relating to any bills of exchange or checks. Notwithstanding the foregoing, WIRTGEN shall be entitled, at WIRTGEN's option, to sue the Supplier at the court having jurisdiction over WIRTGEN's registered office or its branch or over the place of performance, and the Supplier shall be obliged to respond to such action.