

Dear Eltjo,

Got your mail with summary dated 17 Sept. 2012.

1. The commission is based on real purchase from clients until payment comes into CW account. The detailed data was made from our accounting dept. based on what was happened. We don't know how you come out with 30-40% lower. You may verify with clients to see if our given data is correct.
2. Filing invoices at least 5 years is the rule in Europe, but not in China. As explained to our lawyer, the shipping invoice in English is for the purposes of customs clearance and also the documentation between CW and clients for settling payments. It is not official document to report to China tax office. Therefore, it is not necessary to keep them in files as record, so do other companies in China. What we have is shipping note in Chinese filed within a limited period. You well know it's not feasible to get invoices from clients. If you're a client, are you willing to spend so much time to provide hundreds of invoices?
3. The amount 12,647.50 Euro for purchasing carbide is the same as the amount 12,647.35 Euro you have to return to CW till 2008. It doesn't state on the verdict but very clear as presented to the court.
4. We may not agree to your proposal to multiply 1.35 based on our given commission data. This has been emphasized on point 1 to calculate based on real purchase from clients till the payment comes to CW account.
5. Please note the commission rate for the period of 2009/1/1-2009/7/20 is 3/5/8/10% respectively for more clients, while it is only 3% for specific clients starting from 2009/7/21. Your estimate is not correct. However, we still emphasize to calculate commission based on real purchase till the payment comes to CW account. Therefore, we may not agree to your proposal to settle with 120,000 Euro for the remaining period.
6. The amount of calculating interest rate from your side is based on the full amount of commission, i.e. 115,038.07 Euro + 18,570.51 USD, while from our side it is only your so-called balance 23,292.63 Euro. This is not correct. The amount should be based on 130,850 Euro. For this, I propose not to bring this issue into discussion to make it complicated.