

## General Terms of Sales and Delivery

### I. General Terms and Areas of Validity

1. For our deliveries and services, in addition to the entire business relationship between us and our customers, the general terms of sales and delivery apply exclusively. We do not acknowledge ordering or purchasing terms of the customer which conflict with our own terms of sales and delivery unless these terms have been previously agreed upon in written form. These terms remain valid for all future business without a renewal. These terms also apply if we do not refer to them specifically in future contracts, in particular, if we render deliveries or services to the customer in the knowledge that the customer's terms of business conflict with our own terms of sales and delivery.

2. If there is an outline agreement between us and the customer, this is augmented by the general sales and delivery terms.

3. All agreements that have been reached between us and our customers relating to the fulfilment of the contract are to be put down in written form. Any agreements, in particular, verbal sub-agreements and assurances from our sales staff only become valid when confirmed in writing.

4. All follow-up orders after the first order are subject to the obligations laid down in § 312e, paragraph 1, line 1, points 1-3 and line 2 in the BGB (Bürgerliches Gesetzbuch).

5. Our general sales terms are only valid for businesses or legally authorised persons under § 310, paragraph 1 of the BGB.

### II. Quotations – Quotation Documentation

1. Our quotations are provisional and not binding, unless otherwise specified in our quotations or order confirmation.

2. The documents contained in our quotations and catalogue such as pictures, drawings, weights and measurements, other technical data and DIN and VDE norms or additional company or industry-wide norms are provisional and not binding. They represent approximate values and not quality agreements, quality or durability guarantees or additional guarantees unless otherwise specifically agreed between us and the customer in written form.

3. The documents and catalogues referred to in Section II, clause 2, are subject to ownership and copyright. These and other confidential documents are not accessible to third parties without our written permission and are to be returned to us on request without charge.

### III. Prices and Terms of Payment

1. All given prices for each completed contract are binding, in particular, prices given in the order form or the order confirmation. Should a price for the delivery of a product not be specified, then the price given on the current price list (on day of delivery) becomes binding. We reserve the right to amend our prices independently of those quoted in Line 1 in the case of cost alterations, in particular due to wage settlements, material or additional purchasing price amendments which might occur unless the product is delivered within 6 weeks of the contract being signed. Unless otherwise agreed, Ex-works (EXW) according to Incoterms 2000, apply and do not include VAT, freight, customs, postal charges, packaging, insurance or any additional expenses.

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2. We offer a 2% early payment discount if the invoice is paid within 10 days of the invoice date, otherwise payment is due without any deductions within 30 days of the invoice date. Cheques and bills of exchange are only acceptable as a form of payment. A credit note may only be exchanged for goods. Discount and exchange charges as well as possible protest fees are borne by the customer.

3. Early payment discounts are not granted if outstanding bills for previous deliveries have not been settled. Discounts agreed upon become invalid if insolvency has been registered, if payment is overdue or if legal proceedings have to be undertaken to retrieve any outstanding monies. In these cases, we reserve the right to retrieve any discounts initially granted. Also, further deliveries can only be carried out on a cash before delivery basis and we can demand immediate payment of any deferred payments.

4. Payment becomes overdue if the customer has not paid within 30 days of our delivery or service. The legal requirements relating to overdue payments are not affected by this. In the case of overdue payments, regardless of any additional claims, we are entitled to 8% interest on arrears above the basic interest rate, as long as we are not entitled to claim higher interest rates due to special legal circumstances. The enforcement of further compensation claims due to overdue payments cannot be ruled out. We are entitled to charge 5€ for each final demand issued after payments become overdue.

5. The customer is only entitled to compensation rights if his counter claims are legally valid, undisputed or recognised by us. Further, he may only exercise a retaining lien if his counter claims are on the same contractual basis.

## IV. Delivery Time

1. Agreed terms of delivery are only approximate where a specific written agreement has not been reached. Agreed delivery dates begin on dispatch of our order confirmation. The terms of delivery are met when the goods to be delivered have left our warehouse or the customer has been informed that they are ready for dispatch.

2. The adherence to our delivery and service obligations assumes the timely and proper fulfilment of the customer's obligations. Should a pre-payment have been agreed upon or where there are documents, grants or clearances to be produced by the customer, then delivery time begins on production of these. If a contract is not fulfilled, we reserve the right to object. If agreed terms of delivery are exceeded by us, and an appropriate extension has also not been complied with, then the customer is entitled to withdraw from the contract in writing.

3. We may carry out part deliveries if this is reasonable from the customer's point of view.

4. Our delivery is deemed to be late after the extension has expired, as long as the delay is not due to extraordinary circumstances. In the case of a force majeure or other unforeseeable, extraordinary circumstances for example, breakdown due to fire, water or similar, breakdown of production equipment or machines, delayed delivery, non-delivery from our suppliers as well as operational disruptions due to lack of raw materials, energy or manpower, strikes, lockouts, difficulties in the acquisition of transport means, traffic delays, intervention by authorities, the extension may be further extended to cover the loss of time caused by these circumstances as long as we cannot be held responsible for any of these circumstances. If the delivery or service is delayed by more than a month, both we and the customer, disbaring claims for damages, may withdraw from the contract for the amount of goods affected by the delay.

5. We adhere to the legal requirements as long as the basic purchasing contract is a short sales contract under §286, paragraph 2, no. 4 of the BGB or §376 of the HGB (Handelsgesetzbuch). We also adhere to the legal requirements in the case of a customer arguing that the delay hindered the fulfilment of his contract.

6. We also adhere to the legal requirements if the delayed delivery is caused by wilful or negligent breach of contract on our part; we are also liable for our representatives or sub-contractors. As long as the delivery delay is not based on a wilful breach of contract, our compensation liability is limited to the foreseeable and usual damages.

7. We also adhere to the legal requirements when the delivery delay is based on the non-accidental infringement of a covenant; in this case, the compensation liability is limited to the foreseeable and usual damages.

8. Additionally, we are liable for compensation due to delays within the scope of a general delay such compensation being 0.5% per week, or a maximum of 5% of the value of the affected parts of the entire delivery, disbarring further claims and rights of the customer in the case of delivery delays.

9. Should there be a delay in acceptance on the part of the customer, or should he breach other cooperation obligations, we reserve the right to claim the damages sustained by us including any additional expenditure. We reserve the right to make additional claims.

## V. Risk Transfer, Packaging Costs

1. The delivery is carried out from our warehouse unless otherwise agreed with the customer in writing. In this case, the risk of coincidental loss or damage to the goods becomes the responsibility of the customer, after the goods have been released and the customer has been notified. Further, the risk of coincidental loss or damage to the goods becomes the responsibility of the customer, after the goods have been released to a freight carrier. The customer also carries the responsibility of the risk of coincidental loss or damage to the goods when part deliveries are carried out even if we have accepted, for example, costs of delivery. If delivery is delayed as a result of the customer's circumstances, the risk becomes theirs from the moment of the goods having been released.

2. Transport packaging and all other packaging in accordance with packaging regulations may not be returned, with the exception of pallets. The customer is obliged to dispose of the packaging at his own cost.

3. On the customer's request we will provide transport insurance; any costs incurred are borne by the customer.

## VI. Liability for Defects

1. The customer is obliged to examine the delivered goods on receipt at his own expense and to convey to us in writing immediately any noticeable defects (at the latest 7 days after receipt). We are to be notified in writing of any hidden defects as soon as they are discovered.

2. In the event of any defects in a part delivery, the customer is obliged to accept the undamaged remainder of the order unless this part of the order is useless to him or he no longer requires it without the damaged part.

3. Should the goods purchased be damaged, we reserve the right to decide whether to repair the damage or to replace the order with undamaged goods. In the case of damage repair, we are obliged to carry all costs of transport, manpower and material costs as long as these do not exceed the original costs. In the case of damage repair, we will only carry the costs to the value of the original purchase price.

4. If we are not prepared or able to replace goods, in particular if we exceed the deadline, or the replacement is deemed as being unsatisfactory in any way, the customer is within his rights to withdraw from the contract or demand a reduction of the purchase price. Disregarding other circumstances, a replacement is deemed as a failure when 3 attempts have been made.

5. If we have not given a specific written guarantee, we cannot be held responsible for the delivered goods being suitable for the planned purpose of the customer. If sales are based on samples, these samples have been produced according to sample standards, however, they do not guarantee the quality or durability of the delivered goods or services provided nor do they imply any additional guarantees.

6. We adhere to the legal requirements when the customer asserts his compensation claims which are based on wilful or negligent breach of contract including negligence on the part of our representatives or subcontractors. As long as we cannot be blamed for any wilful breach of contract, the compensation liability is limited to foreseeable and usual damages.

7. We adhere to the legal requirements when based on the non-accidental infringement of a covenant; in this case, the compensation liability is limited to the foreseeable and usual damages.

8. The statutory period of limitation for claims for defects is 12 months, calculated from the transfer of risk date. The statutory period of limitation in the case of delivery recourse according to §§ 478, 479 BGB is unaffected and is 5 years, calculated from the date of delivery of the damaged items.

## VII. General limitation of liability

1. A further liability to compensation as provided in clauses 4 and 6 is not possible without consideration of the legal nature of any claims made. This is particularly the case for compensation claims arising from errors made upon the signing of the contract, due to additional breaches of duty or tort claims for the replacement of material damages according to § 823 BGB.

2. In so far as our compensation liability cannot be limited, this also applies to compensation liability for our employees, workers, representatives and sub-contractors.

## VIII. Retention of Title

1. We retain the title to the delivered goods until payment of all current and future sums due to us from the customer is made. The inclusion of the purchase price in the customer's account and the acknowledgement of a balance is unaffected by the retention of title. In the case of conduct contrary to the contract on the part of the customer, we reserve the right to reclaim the delivered goods. A recovery of delivered goods by us does not constitute a withdrawal from the contract unless we have notified the customer in writing. Should we seize the delivered goods, this does constitute a withdrawal from the contract. Following the recovery of delivered goods, we are entitled to do with them as we see fit. The proceeds of sale of these goods will be offset against any outstanding payments from the customer, minus any reasonable costs resulting.

2. The customer is obliged to handle our goods with care in accordance with section VII.clause1 until payment has been made in full; he is also obliged to provide comprehensive insurance to cover against fire, water, theft or further damage. The customer assigns to us any claims arising from the insurance contracts at this point. We hereby accept these assignments.

3. The customer may not seize or give as security any goods in our possession. However, he may sell the delivered goods in an appropriate business manner in accordance with the following agreements. The above mentioned right is not valid if the customer has entered into a credit sale agreement or has assigned the goods to a third party.

4. The customer guarantees the payment of all claims referred to in section VIII. clause 1 and any future claims arising from the sale of the delivered goods, in accordance with our rights, to the value of the delivered goods. We hereby accept this guarantee.

5. The customer shall be authorised to collect claims against its customers, which have been assigned to us, in the course of ordinary business dealings, provided it complies with its payment obligations in relation to us. It is however not entitled to agree a current account relationship or covenant against assignment with its customers in respect of these claims or to assign them or pledge them to third parties. In the event that a current account relationship exists between the customer and the party purchasing our goods, with respect to which title is retained, notwithstanding clause 2, the claim assigned in advance shall also relate to the acknowledged balance of account and, in the event that the purchaser is insolvent, to the balance which then exists.

6. The customer shall, upon our request, furnish proof of the individual claims assigned to us and shall inform its debtors of the assignments, requesting that they pay us the sum of our claims against the customer. We are also entitled to inform the customer's debtors of the assignment at any time and to collect the claims ourselves. We shall however not exercise these powers provided that the customer properly complies with its payment obligations, is not in arrears with payment, insolvency proceedings have not been instituted with respect to the customer's assets or the customer does not stop making its payments. However, should one of the aforementioned cases arise, we may require that the customer discloses the claims assigned and the debtors in question, provides all the necessary data for collection and surrenders the relevant documentation.

7. The customer shall inform us immediately should seizures or other interventions by third parties occur, so that we can institute legal proceedings according to § 771 of the Code of Civil Procedure (ZPO). The customer shall bear the costs of interventions.

8. The customer may carry out the processing, manufacture or reorganisation of the goods we have delivered subject to the retention of title on our behalf, but without discharging its obligation to us. In the event that the goods supplied by us under the retention of title are processed with other goods not belonging to us, we shall acquire co-ownership of the new item in proportion to the value of the product supplied by us (invoiced final amount, including VAT) compared to the other processed items at the time of manufacture. Furthermore, the provisions relating to the item created by the manufacturing process shall also apply to the product supplied by us under retention of title. In the event that the product supplied by us under retention of title is inseparably blended with or linked to other goods not belonging to us, we shall acquire co-ownership of the new product in proportion to the value of the product supplied by us (invoiced final amount, including VAT) compared to the other items blended or linked at the time of blending or linkage. In the event that the blending or linkage is carried out in such a way that the customer's product is deemed the main item, it shall be considered agreed that the customer transfers co-ownership to us on a pro rata basis. The customer shall store the thus created joint or sole property for us. The customer is entitled to use the product which has been newly created through processing, manufacture, reorganisation, linkage or blending in the ordinary course of business, provided that it complies with its obligations arising from the business relationship with us on time. The customer is however under no circumstances authorised to resell these new products or utilise them in any way by agreeing a covenant against assignment with its customer or to pledge or assign them by bill of sale as security for a debt. The customer hereby assigns its claims from the sale of these new goods, in respect of which we are entitled to rights of ownership, within the scope of our ownership interest in the sold goods as security. If the customer links or blends the delivered products to or with a main item, it shall hereby assign its claims against the third party to us up to the value of our goods. We herewith accept these assignments.

9. The customer shall also assign to us claims up to the value of our products to provide collateral for our claims arising against a third party resulting from the linkage of our products with a plot of land.

10. We undertake to release the collateral to which we are entitled at the customer's request, provided that the realizable value of our collateral exceeds our claims against the customer requiring the release of collateral by more than 10%; the choice of the collateral to be released shall be ours.

## IX. Place of performance, place of jurisdiction, applicable law, data protection

1. The place of fulfilment shall be our registered office, unless otherwise contractually agreed.

2. If the customer is a merchant, a legal person under public law or a special fund under public law, our registered office is the place of jurisdiction for all legal disputes. We are however also entitled to institute legal proceedings against the customer at its local place of jurisdiction.

3. The law of the Federal Republic of Germany applies; the UN Sales Convention (CSIG) does not apply.

4. Our customer's data shall be stored and processed electronically, where necessary in the course of business dealings, and in compliance with the provisions of the German Federal Data Protection Act (§§ 28, 33 BDSG).