

Terms and Conditions of Sale, Delivery and Payment of Sieper GmbH

1. Scope of the terms and conditions

The terms and conditions set forth below apply to all current and future contracts, deliveries and services between ourselves and yourselves, if you are a contractor within the meaning of § 14 BGB [German Civil Code]. Any different terms and conditions are herewith expressly contradicted.

2. Quotation and order confirmation

- a) All our quotations are not binding unless otherwise agreed in writing.
- b) Information given in our brochures, circulars, advertisements, illustrations and price lists concerning dimensions, weights, colours and other performance data are not binding unless expressly agreed. In case of doubt, they do not include in particular the assumption of a guarantee.
- c) You are liable for the correctness of your order information.

Furthermore, you must check our goods immediately upon receipt for correctness and completeness. Objections to any discrepancies must be made immediately.

3. Information in catalogues, technical modifications

Our products are supplied solely in the design, units or minimum quantities stated in our respectively valid catalogues or brochures.

We reserve the right to make reasonable technical modifications and modifications to form, colour and equipment.

4. Deliveries

- a) Delivery dates that are on principle not binding must be stated in writing. Binding delivery dates shall require a special written agreement.
- b) Delivery dates confirmed by us shall be met by delivery within the specified time i.e. by shipment. We do not assume any responsibility for transport in due time.
- c) In the event of force majeure and other, unforeseen and exceptional circumstances through no fault of our own – e.g. difficulties in material procurement, failure of suppliers (our own suppliers) to deliver, deliver on time or make the correct delivery despite covering transactions concluded, interruption of operations, breakdown of telecommunications and EDP, fire, conflict, lock-out, lack of means of transport, prohibition of traffic, official intervention, breakdown of machinery, export and import prohibition, difficulties in energy supply, mobile supervision, war, blockade etc., also if this affects our suppliers – the delivery time shall be extended, if this prevents us from fulfilling our obligation in due time, to a reasonable extent.
- d) If the above-mentioned circumstances make it impossible or unreasonable to expect us to deliver, we shall be entitled to rescind the contract. If deliveries are delayed for longer than 2 months, you

shall also be entitled to rescind the contract.

You cannot derive any damage claims from such delivery delays. However, we can only invoke the above-mentioned circumstances if we report the beginning and anticipated end of such obstructions to you immediately.

- e) If we are in default, you can set us a reasonable period of grace. After this period expires, you can rescind that part of the services owed under the contract and not yet performed.

If you have a justified interest in refusing partial deliveries, you can rescind the entire contract.

All other, more far-reaching claims from any breach of duty i.e. notably damage claims – as long as the damage was not caused by intentional or grossly negligent act – shall be excluded. Our liability in cases of gross negligence shall, however, be limited to foreseeable damage typical for the contract unless it is a mandatory legal liability.

- f) Partial deliveries are allowed if this can be reasonably expected of you. We reserve the right on principle to choose the mode of shipment.
- g) Risk of loss of goods shall pass to you as soon as the consignment is handed over to the carrier or forwarder but at the latest when the goods leave our works. Attachment of the goods shall also be deemed loss of the goods.
- h) We can only consider any damage to goods in transit, if we are advised in writing at the latest 8 days after the goods are received. You must have any damage to goods in transit and missing packages confirmed by the respective deliverer e.g. railway, post office or forwarder.
- i) All return shipments must be exempt from charges. Return shipments sent freight collect cannot be accepted and processed.

5. Prices / payment

- a) Prices are quoted in euros and exclude turnover tax which has to be paid on all deliveries at home and abroad subject to turnover tax.
- b) Our invoices are payable:
 - within 8 days of the invoice date less 3% cash discount
 - within 14 days of the invoice date less 2% cash discount
 - within 30 days net without deduction
- c) Payments must be made solely to Sieper GmbH in cash or to one of its accounts. Our employees are not entitled to collect unless they are expressly authorised to do so in writing.
- d) You can offset our claims only against uncontested claims or claims recognised by declaratory judgement. This shall also apply to the merchant's right of retention and recovery competence according to §§ 369 and 371 HGB [German Commercial Code].

6. Retention of title

- a) We retain title to the goods delivered until all claims from our business relationship with you are met.
You are entitled to sell the goods we deliver to you in the ordinary course of business as long as you perform your obligations from the business relationship with us in due time. You are not, however, allowed to pledge the retained goods nor to assign them by way of security.
- b) You herewith assign to us all claims and rights from the sale of retained goods. We herewith accept this assignment. If you take in payments or other covering funds from your debtors before full satisfaction of our claims, you shall be deemed to hold these in trust on our behalf.
- c) If you are in breach of contract – especially if you default in payment – we shall be authorised to rescind the contract and to reclaim retained goods.
- d) You are obliged to keep and store retained goods and goods produced by combination separately.
- e) At your request, we shall release the above-mentioned securities at our option where they exceed claims to be secured by more than 20 %.

7. Warranty of quality

- a) Claims based on defects are subject to a limitation period of 12 months. This shall not apply if longer periods are mandatory by law (especially § 479 para. 1 BGB) and in cases of injury to life, limb or health, intentional or grossly negligent breach of duty by ourselves and fraudulent concealment of a defect. This shall not affect statutory regulations on the suspension and interruption of the statute of limitations and restart of the time limit.
- b) Claims for defect of quality shall not exist if deviation from the agreed quality is only negligible, quality is impaired only to a negligible extent, in the case of natural wear and tear, or damage which occurred after passing of risk as a result of incorrect or negligent handling, incorrect maintenance, excessive wear, defective preliminary work etc.
- c) The stipulation in para. 4.h) shall apply accordingly to obvious defects. Notice of hidden defects must be given immediately after they are discovered within the time-limit for defects of quality according to the above para. 7.a).
This shall also apply in the case of objections to quantity, and in the case of delivery of goods not stipulated in the contract.
- d) Where notices of defects or objections are justified and in due time, we shall at our option either take the defective goods back and deliver goods free from defect in their place or we shall rectify the defective goods or issue a credit.
You must give us the necessary time and opportunity to undertake all work required to rectify defects and/or make substitute deliveries. Otherwise we shall be exempt from any warranty of quality.

- e) Claims for expenses required to rectify defects, especially travel and transport expenses, labour and material costs shall be excluded if the expenses are increased because the goods or object of our performance are subsequently taken to a location other than your branch unless this corresponds to use for the intended purpose.
- f) Recourse claims according to § 478 BGB can only be made against us if you have not concluded any agreements with your customers that go beyond statutory claims based on defects.
- g) Further claims by you, especially claims for damages and for reimbursement of expenses resulting from defective goods and/or services we supply and other breach of duty from the obligation and from tort shall be excluded.

This shall not apply unless liability is mandatory by law e.g. in cases of intent, gross negligence, injury to life, limb or health, breach of material contractual obligations or e.g. under the German Product Liability Act.

A claim for damages for breach of material contractual obligations is, however, limited to foreseeable damages typical for the contract unless there is intent or gross negligence or liability is mandatory by law because of injury to life, limb or health. There is no connection between a change in the burden of proof to your detriment and the foregoing regulations.

- h) If you are entitled to claim damages and the reimbursement of expenses according to this section, they shall become statute-barred upon expiry of the limitation period applicable to claims for defect of quality according to stipulation 7.a).

In the case of claims for damages under the Product Liability Act, the legal statute of limitations shall apply.

8. Final provisions

- a) The substantive law of the Federal Republic of Germany exclusively shall apply. The validity of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.
- b) The export of our goods is on principle forbidden. Exceptions shall require our prior written consent. A contractual penalty of € 10,000.00 shall be due for each case of infringement of this prohibition on exports. This shall not exclude our assertion of any further damage.
- c) If as customer you are a merchant, legal entity under public law or special public law fund, any disputes arising from this contract shall be settled exclusively before a Lüdenscheid court of law. This shall also apply if you do not have a general place of jurisdiction in Germany.
- d) Place of performance for all obligations arising from this contract is Lüdenscheid.
- e) If any individual provisions of a contract including these General Terms and Conditions are or shall become invalid in whole or in part, or there is a gap, this shall not affect the validity of the other provisions.

The parties shall, however, be obliged to agree on a stipulation which most closely corresponds to the economic intent of the invalid provision, and correspondingly close any gaps.

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