

General Terms of Delivery and Payment

- a) **General**
Our terms of delivery and payment apply exclusively. Other terms of purchase are herewith objected. Such other terms of purchase are only effective if and to the extent that we have confirmed them in writing. Orders are only binding for us to the extent that we have confirmed them in writing or fulfill them by sending the goods, oral subsidiary agreements are subject to written approval.
- b) **Price Basis**
Our offers are subject to confirmation, unless we notify of a temporary price fixing in writing. Otherwise, the prices in force on the day of delivery plus statutory value-added tax will apply. Price calculation for copper: The prices contain a copper base of EUR 150.00 for 100kg of copper (excluding underground cable: Cu basis - 0 - and telephone cable: Cu basis EUR 100). The calculation basis for the selling price is the DEL quote (stock exchange announcement for electrolyte copper on the day after receipt of the order) plus delivery costs (minimum 1%). The selling price increases or decreases based on the difference between the copper basis and the DEL quote. The copper index is to be multiplied by the copper difference. Unless otherwise stated, the copper index is valid for 1000m. Copper price surcharges and reductions are always strictly net.
- c) **Minimum Values for Orders**
For cables and wires: EUR 100.00 net.
- d) **Extra Charges for Small Quantities**
In case of orders of less than 50m per dimension and type, an extra charge for small quantities of 20% is applied for cables and wires.
- e) **Shipping and Freight Cost**
Delivery free domicile (excluding packaging) within Germany in case of orders with a value of no less than EUR 500.00. Priority shipping, if requested by the orderer, will be made at the expense of the orderer. No freight reimbursement in case of collection by the orderer.
- f) **Packaging Cost**
Costs for packaging will be charged. A deposit will be charged for boxes and similar containers. Packaging of this type is to be returned to us freight prepaid. If immediately returned freight prepaid, two-thirds of the deposit will be credited for undamaged containers. The standard terms and conditions of KTG Köln (Kabeltrommel GmbH & Co. KG, Postfach 80 05 60, 51006 Cologne), which the orderer herewith accepts (even for deliveries of Kabeltec's own drums), apply to cable drums provided on loan. The orderer is responsible for proper handling of packaging and containers and is liable to pay compensation in case of damage, unless it can prove that such damage was not caused by its fault or the fault of one of its agents.
- g) **Delivery Quantities**
Underdeliveries and overdeliveries of +/- 10% of the order quantity are permissible. Special cables are delivered in production lengths that vary for manufacturing reasons. Partial deliveries are permissible.
- h) **Payment**
Our invoices are payable strictly net within 30 days from the invoice date. A discount of 3% is granted if payment is made within 14 days. Should payment not be effected in time, the legal consequences of default will eventuate without a special reminder being necessary. Notwithstanding the assertion of any further claims for damages, interests in the amount of the normal bank interests on debit balances, at least however of 5% above the respective Bundesbank discount rate, will be charged in the event of default. In the event of default in payment and reasonable doubt as to the orderer's debt paying ability or credit worthiness, we are - without prejudice to our other rights - entitled to demand securities or advance payments for outstanding deliveries and to immediately accelerate all claims relating to this business relation. Only uncontested claims or claims recognized by declaratory judgment entitle the orderer to offset or retain. Bills of exchange require our written approval; their charges and costs as well as the risk of timely presentation and protesting are to be borne by the orderer.
- i) **Retention of Title**
The sold goods remain our property until all claims relating to this business relation with the orderer have been settled. The orderer is entitled to dispose of the purchased goods in the ordinary course of business. Retention of title also applies to the products made by processing, mixing or combining of our goods in their full amount, whereas we are considered to be the manufacturer. If the right of ownership of third parties remains in force after the processing, mixing or combining with their goods, we will acquire rights of co-ownership in proportion to the invoice value of those goods processed. The orderer now already assigns in full or in the amount of our co-ownership proportion (if any) any and all claims against third parties that arise out of the resale to us as security. It is entitled to collect those claims for our account until we cancel this arrangement or until its payments to us are abandoned. Neither is the orderer entitled to assign those claims for the purpose of collecting claims by way of factoring, unless the obligation of the factor is established simultaneously to effect the consideration in the amount of our proportion of the claims directly to us as long as there are still claims on our part vis-à-vis the orderer. The orderer has to inform us immediately about any access by third parties to our goods and claims. Exercising retention of title does not imply rescission of the contract. The goods and the claims taking their place may be pledged neither to any third party nor as security until our claims have been settled completely. If the value of the securities exceeds our claims by more than 20%, we will to this extent release securities of our choice upon request.
- j) **Period of Delivery**
The period of delivery agreed in the order confirmation begins on the day of the full clarification of the order. If the supplier is not able to fulfill its obligations due to unforeseeable circumstances such as plant interruptions, strikes, natural disasters or due to delays in the delivery of important raw materials and supply items, the period of delivery will be extended by a reasonable amount of time. This also applies if its upstream supplier is affected by such circumstances. If it has become unreasonable or even impossible to render deliveries or services, the supplier will be released from its delivery obligation. The orderer cannot derive any claims from this. The notice of readiness for shipment (readiness for dispatch) is equatable to the delivery.
- k) **Passage of Risk**
All risks pass to the orderer upon handing over of the consignment (goods and packaging) to the shipping company or notice of readiness for shipment, even if the place of dispatch and the place of performance are not the same. Unless otherwise agreed in writing, the orderer is responsible to take out transport insurance.
- l) **Warranty**
Only goods are delivered that correspond to the respective state of the technical development. To the extent standards (Deutsches Institut für Normung; Engl.: German Institute for Standardization) or regulations (Verband der Elektrotechnik, Elektronik und Informationstechnik; Engl.: Association for Electrical, Electronic and Information Technologies) exist, we deliver on the basis of these regulations. The orderer is obliged to check the goods - as far as reasonable also by performing a test run - immediately upon delivery for defects in relation to condition and fitness for purpose, otherwise the goods are deemed to be approved. Complaints will only be considered if they are submitted in writing accompanied by supporting documents or samples and the number of the delivery note or invoice within 10 days after receipt of the goods - in case of hidden defects after they have been detected, however 6 months after receipt of the goods at the latest. Our warranty is limited, at our own discretion, to substitute delivery, cancellation of sale, reduction of purchase price or rework. Rejected goods may only be returned with our written approval. The warranty does neither cover natural wear nor damages as a result of incorrect or careless handling, excessive operational demands and improper production facilities, chemical, electronical and electrical influences without the supplier's fault after the passage of risk.

It is your responsibility to determine that the performance of the goods supplied are sufficient and suitable for the purpose to which they are put. We cannot accept responsibility either in respect of the installation or ultimate performance of any product in which the goods may be installed. We shall in no way be liable for any damage, be that direct or consequential, or any loss or expenses arising from any defect or inefficiency caused by the manner in which the goods are installed/used.
Goods supplied by us, manufactured by others, are suitable to a standard two year warranty based on correct usage as outlined above.
- m) **Guarantee**
We cannot guarantee the fitness of the supplier's products for the intended purpose of the orderer. Recommendations as to the application are made to the best of our knowledge. They are however not binding and do not release the orderer from the need to conduct own experiments and tests. In no case can we be held liable for damages or disadvantages resulting from them.
- n) **Redemption of Goods**
Goods are only accepted if returned freight prepaid and only after prior written agreement.
- o) **Alteration of Construction**
Alterations of construction necessary due to further development and alteration of the manufacturing process are reserved for the supplier. The diameter specifications of cables and wires are subject to fluctuations for manufacturing reasons. The tolerances for cables of up to 18mm are usually +/- 0.3mm, 18-30mm +/- 0.4mm, more than 30mm +/- 0.5mm.
- p) **Liability**
To the extent permitted by law, our duty to pay damages for whatever legal reason is limited to the net invoice value of our quantity of goods directly involved in the damage-causing event. This does not apply if we are obliged by mandatory legal requirements to accept full liability in case of intent or gross negligence. This limitation of liability applies to our assistants and vicarious agents to the same extent.
- q) **Place of Performance and Place of Jurisdiction**
Place of performance for both parts is Oberndorf. If the orderer is a full merchant, the place of jurisdiction is Oberndorf or, at our choice, its place of general jurisdiction.
- r) **Final Provision**
If any provision of these terms of delivery and payment are or become invalid, the validity of the remaining provisions will not be affected thereby. The invalid provision is to be replaced by a valid one which corresponds as closely as possible to the commercial purpose of the invalid provision.