

concerning

Nedschroef Altena GmbH
Nedschroef Fraulautern GmbH
Nedschroef Plettenberg GmbH

Nedschroef Fasteners GmbH
NedRight Technology GmbH

This text is a translation from the governing text "Allgemeine Nedschroef Verkaufsbedingungen Stand 01/2013" and therefore for reference purposes only.

I. Base of Contract

All our business-relations are submitted to our Sales-Conditions, accepted by our customer in the moment of ordering, even for future business, no matter of explicit reference as far as received in connection with any confirmed order. These Salesconditions even become valid if we receive an unconfirming order and even if we do not contradict such order expressly. Accordingly any deviation only becomes effective after our expressive written acceptance.

II. Offers and Agreements

Generally any of our offers are without legal effect, to be treated with discretion. Third companies may not base any legal effect out of them. Any conclusion of a single contract becomes effective just by our written confirmation of order. Open orders become effective by separate agreement or according to frame-agreements. Latter changes become effective only after written confirmation.

III. Prices

All prices are to be understood in currency EURO (€), „ex work“, net, exclusive VAT. If prices are agreed upon for longer term, we are entitled to ask at any moment for new price-negotiations, as far as increase in salaries, material or any other extraordinary increase may have occurred. Such also is consequence in case of increase of transport-costs due to change of shipping-points, especially to abroad, or any other change of costs of transport.

If such price negotiations result without mutually agreement, Nedschroef is entitled to stop any further delivery after a term of six weeks.

IV. Payment / Payment default

Payments are generally to be done 30 days after the date of invoice, net, without any deduction, by bank - transfer on that bank-account indicated on the related invoice. The date of disponibility is considered as date of payment. In case of payment default, we are entitled to set on hold any other delivery to this customer up to receipt of payment of all current claims. Thereover, in such case all current claims become due at once. This effect also occurs in case of customer's obviously bad financial conditions.

V. Terms of Delivery – Force Majeure

Delivery-dates and terms stated by us in offers or order-confirmations are only approximate and legally not binding as far as not exceptionally confirmed as binding in written form.

We are allowed to reject any delivery-schedules and related modifications during a term of 5 working-days after receipt. In cases of force majeure, production breakdown, operating trouble of machinery, fire, interruption of energy, strike of staff or similar we are free to interrupt contractual deliveries during the effect of such event. The customer is entitled to cancel it's order only after notification of a reasonable additional delivery-term.

Any claim of customer resulting from such event depends on our gross negligence or our act of intention.

VI. Delay of Delivery

In case of delay of delivery Nedschroef is liable to customer concerning compensation of damage resulting from such delay, observing the following restrictions:

1. Nedschroef is not liable concerning lost profit or damages due to interruption of production.
2. Nedschroef's liability to special-transport-costs is limited to the triple amount of the value of the delivered goods excluded the case of late delivery due to Nedschroef's gross negligence or act of intention. Generally it is the task of the customer to maintain adequate security stock. Such stock must considerate the distance to supplier's base.
3. Thereover Nedschroef's liability concerning special transport-costs depends on customers compliance to additional obligations: Only such quantity may be transported, which is necessary to ensure customer's line-feeding up to receipt of goods transported by normal transport. Customer will have to grant us the possibility to deliver by own means. In case of urgency, such has to be agreed upon between the parties.

VII. Quantities to deliver and Packing

In order to avoid abundant rest-quantities Nedschroef is entitled to modificate the deliveries slightly. Slight differences may also occur due to technical differences in weight of the products.

Within an adequate term before delivery the customer may not change prior delivery- schedules (fix planning). The preview amounts going out this time frame can be changed by the customer in adequate extent around up to +/- 10%. The time frame of the fix planning depends on the production planning, procurement planning necessary for Nedschroef and planning of delivery. This should separately be agreed between the parties related to part-numbers. Within the fix-planning Nedschroef will intend to fulfill customer's wishes of modification, but without legal obligation, provided that the customer is ready to take over an adequate reimbursement for any special activities. One-way package is to be decontaminated according to individual arrangement at the expenses of the customer or to return free of charge to the delivering plant.

VIII. Passing over of Risk of accidental Loss / Delivery

The risk of accidental loss and the damage of products passes over on the customer, as soon as the products leave the Nedschroef's plant. Nedschroef is not liable to any damages and losses which might happen to the product on the transport. This is also valid if we have taken over the delivery as well as after announcement of readiness of dispatchment of the products. If the ready for sending announced product are not taken over by customer, we are entitled to dispatch these to own choice or to store them at the expenses and risk of the customer.

IX. Defects of Products – Warranty

1. All products are described exclusively by the agreed technical specifications, mutually defined by initial sample release procedure at the time of delivery. The customer bears the risk of the suitability of the product for the intended purpose. Nedschroef is not liable to any damages or defects due to improper use or assembly.
2. Condition of every warranty claim is a notification of defect, to be given in written from customer to Nedschroef immediately after receipt of goods. Customer also has to mention the delivery-note-number in order to detect within the scope of the retraceability possible reasons of defect. In case of hidden defects of product, not detectable within the scope of a proper check of incoming products, customer has to give notification of defect as soon as possible after detection. In this respect the customer is ought to ensure a careful supervision of it's own production and adequate quality - checks after each section of production as well as to ensure retraceability of products.

Nedschroef does not renounce the objection according to the late notification of defect according to § 377 HGB, German Code of Commercial Trade. Faulty products should be returned. Such products will immediately be substituted by products of proper quality.

3. In order to avoid an interruption of customer's production, Nedschroef accepts costs for rework and / sorting-activities under the following conditions:
Any activity must be coordinated with Nedschroef exactly before beginning, i.e. concerning the quantities to rework / to sort, the working means and test means as well as what kind of the rework / sorting to be done. In urgent cases, such coordination must be done with our emergency-service. Provided that this should not be accessible, such coordination has to be done as soon as possible after beginning of rework / sorting.
4. Nedschroef is to be given the opportunity of self-realisation. Achievements of commissioned third enterprises are taken over only with presentation of understandable documents and a detailed invoice. This is valid accordingly if the concerning works are carried out by the buyer himself.
5. This is also valid accordingly if the buyer asserts claims assigned to him by it's customer. In this respect only general-legal rules are applicable. Any agreements of enlargement or increasement of liability between buyer and it's customer may not have any negative effect against Nedschroef.
6. Own general company expenditure is not recoverable as an expenditure. This is valid in particular when no concrete market value comes up to the activity.

7. Faulty goods are always to be handed over to Nedschroef as a proof.
8. Material defect claims come under the statute of limitations 12 months after delivery, provided that legally no longer term compelling is prescribed.

X. Exclusion and Restriction of Compensations

1. Further claims of the buyer, no matter for which legal reason, are excluded, unless these are based on indispensable legal claim bases, in particular claims on account of the product liability law covered to body damages and / or private damages to property or Nedschroef would be to be accused to have acted with intention or gross negligence. Nevertheless, the disclaimer of liability is also valid if claims have nothing to do with defects of the product.
2. Nedschroef's liability is limited to the amount to the extent predictable by completion of the contract. Costs for rework and / or sortings have to be in a reasonable proportion to the value of the delivered product and a possibly complicated situation of installation as well as a retraceability to be shown by the customers and his possible cofault according to § 254 BGB German Civil Code.
3. All-inclusive damage or expenditure calculations, lump-fees as well as contractual penalties are not agreed upon.
4. Damage and expenditure claims for damages are dependent on lack of diligence, as far as legally a liability independent of lack of diligence is not prescribed expressly.
5. Our liability for mistake of our suppliers occurs exclusively according to general legal regulations.
6. Any increase of liability by any quality assurance and / or ppm-agreement does not occur. Such agreement can occur in particular cases by presentation of special reasons though. Nevertheless, their observance, is for supplier's valuation purposes only. As far as our liability is excluded or limited, this is also valid for the personal liability of all our employee, legal representative and fulfilment assistants.

XI. Retention of Title

General retention of title (current-account clause and balance clause (business connection clause):

The seller reserves himself the property of the product, until all of his claims against the buyer resulting from the business connection are paid including future due claims originated from contracts concluded later or at the same time. This is also valid if single or all claims of the seller were taken in a running account even after closed and recognized balance.

Extended retention of title in case of resale with advanced cession clause:

The buyer is entitled to dispose about the reservation product in the proper trend of affairs only if he resigns to seller herewith by now all demands which arise to him from the disposal against buyers or against third. If reservation products are disposed crude or after processing or connection with objects which stand exclusively in the property of the buyer, the buyer resigns by now the demands originating from the disposal by full height to the seller. If reservation products are disposed by the buyer - after processing / connection -together with other products, not belonging to the seller, the buyer resigns by now the demands originating from the disposal to the amount of the value of the reservation product with all subsidiary rights and rank before the rest. The seller accepts the cession. For the collection of these demands the buyer is also authorised after cession. Thereover the seller is entitled to collect these claims independently, however seller will not execute the collection of mentioned claims as long as buyer properly complies with all of his payment-obligations and other obligations. The seller may require that the buyer informs him about the resigned demands and their debtors, including all further informations essentially necessary for their collection, as well as handling over corresponding documents. Buyer has to inform the debtor about the cession.

Extended retention of title with processing clause:

Any treatment or processing of the reservation product done by the buyer is done on behalf of the seller, without originating any obligations towards him. Processing, connection or mixture of the reservation product with other goods, not belonging to the seller originates a joint ownership portion concerning the new goods.

The proportion of such joint ownership depends on the value of the reservation product to the remaining processed product at the time of the processing, connection or mixture.

If the buyer acquires the sole property of the new goods, the contracting partners agree that the buyer passes joint property to the seller in the proportion comparatively of the value of the processed, linked or mixed reservation product to the new goods. Buyer will store these new goods free of charge for the seller.

Clause of abundant security

If the value of the existing securities exceeds the value of the protected claims about more than 20%, the seller is obligated to release these securities in so far on request of the buyer.

Devolution of goods of reserved property:

The seller is entitled to require at any time the devolution of his goods and to assert in particular the rights on segregation or cession of the claim to the consideration of any insolvency procedure if the fulfilment of his demands is endangered by the buyer, is opened in particular about his property the insolvency procedure or his property relations get worse substantially

The assertion of the retention of title as well as attachment proceedings concerning the objects of delivery by the seller are not to consider as a resignation of the contract.

Interventions of third parties regarding the goods of reserved property:

In case of any attachment proceeding as well as in case of any seizure of the goods of reserved property or in case of any other disposal or interventions of third against in the rights of seller, the buyer will immediately inform the seller and will coordinate with him all necessary actions in order to eliminate the danger. As far as it is indicated for the protection of the goods of reserved property, the buyer has to resign any claims by request of the seller to him. The buyer will pay compensation to seller to all damages and costs - including court and lawyer costs - originated to the seller due to any intervention measures against accesses of third.

XII. Management of Claims

Mutual demands between the parties to a contract are led in a mutual current account. Nevertheless, in this current account only undisputed demands and legally by court determined demands are allowed. Both parties are entitled to cession of their demands.

XIII. Protective Rights – Liability – Confidentiality

1. As far as not agreed upon otherwise between the parties, Nedschroef assumes no liability for injure of commercial protective rights of thirds due to our deliveries, unless acts of intention or gross negligence

The acquirer is obligated to inform Nedschroef immediately about any information or about any query concerning such events. If the delivered goods have been produced according to draughts or instructions of the buyer, he has to release Nedschroef from all demands which may be raised on the basis of injuries of commercial protective rights by third. Any legal costs have to be borne reasonably by buyer.

2. Thereover:

Any documents, samples and informations given from customer to Nedschroef designated as confidential will be treated by Nedschroef with the same care like own confidential documents, samples and informations. Additional agreements of disclosure may only be agreed upon if the business relation contents special secrets, i.e. technical developments and use legal issues or patent legal issues.

XIV. Additional Agreements

Verbal additional agreements are valid only if they are confirmed expressly in writing.

XV. Severability Clause

Should a regulation of these terms of sale be ineffective or become ineffective, the effectiveness of all remaining conditions of these terms remain untouched. In such case both parties will agree upon a regulation coming economically near to the ineffective content.

XVI. Place of Fulfilment, legal Venue and governing Law:

Place of fulfilment for delivery and payment is the location of the delivering Nedschroef company, unless the parties agree expressly upon on another place as place of fulfilment. Legal disputes are to conduct exclusively in that court being locally responsible for the Nedschroef Company. Any legal relations between the parties are governed by German law. In addition, Nedschroef is also entitled to complain in the location of the contracting partner.