

General Terms and Conditions of Sale



1. General

The following general terms and conditions apply to all transactions between us and our customers. Buyer agrees that these conditions in their current version are binding for the contract at hand and for all future transactions. Buyer's standard terms and conditions which deviate from these conditions shall only be binding upon our written consent; in particular, they shall not become binding by our tacit conduct or upon delivery of the contractual object. Our general terms and conditions shall also be valid if upon our consent other general terms and conditions become incorporated into the contract; however this applies only to the extent our general terms and conditions do not contradict the other general terms and conditions.

2. Offers, Conclusion of Contract, Delivery

Our offers are not binding and are subject to interim sale.

The delivery contract becomes effective upon confirmation of an order unless objections to the order are made in a timely manner after confirmation. Amendments to the contract require our approval.

The delivery deadline given shall be understood to be ex works, the delivery period shall begin on the date the order was confirmed.

If Buyer is arrears in payment for an earlier delivery, we shall have the right to withhold deliveries without being liable for compensation for any damages.

The delivery deadline shall be extended for a reasonable period if we or our suppliers are unable to fulfill contractual duties due to factory or delivery disturbances which could not be avoided by a prudent businessman, or due to worker disputes. Buyer may only withdraw from the contract if, after expiration of an extended deadline, Buyer grants in writing a reasonable grace period in which to comply with the contract. Withdrawal from the contract shall be in writing if upon expiration of the grace period obligations have not been fulfilled.

If, for the above reasons, it is impossible for us to comply with the contract, we will be released from our duty to perform under the contract. We will inform the Buyer without undue delay of the impossibility to perform. The Buyer shall have no right to claim damages due to delay or non-fulfillment. We shall reserve the right to part-performance.

3. Prices

Our prices shall be understood to be "ex works" including loading; however, prices do not include the costs for packaging and spooling as well as costs for cutting cable which are charged for separately. The agreed prices are net prices and statutory sales tax shall be charged additionally. Additional costs for special shipping regulations shall be charged to the Buyer.

Determination of the sales prices shall be according to the terms set out in the order confirmation. In this order confirmation, the prices for NE metals may be used as the base price. Processed NE metals (copper, aluminum, lead) are charged at the price which we were able to buy as listed in the DEL quotation effective on the day after the order was received plus any purchase costs.

The NE metal quotations used in the offers are not binding. Placement of an order shall be deemed to take place only once it has been specified in a binding manner regarding the amount, type, delivery deadline, etc. If the NE metal quotations on the day after the order has been given deviates from the NE metal base price contained in the order confirmation, then the NE metal price shall be increased or decreased accordingly.

Price information does not represent price recommendations.

4. Small Orders

For orders valued less than € 250.00, a small order surcharge in the amount of € 30.00 will be charged. Rates and/or other discounts do not apply to small orders.

5. Payment

Regardless of payment mode, the date of payment shall be deemed to be the date on which we may dispose of the amount.

Bill of exchanges shall only be accepted upon prior agreement. We shall be compensated for any discount charges and interest.

Payment by check and bill of exchange is deemed to be conditional upon the check or bill of exchange being honored. If payment by check is made under the concurrent financing by a finance bill, then the duty to pay the purchase price shall be deemed only to be fulfilled if we are held harmless from all liabilities, including those arising under the financing transaction.

Upon non-compliance of the payment conditions, all our claims shall become immediately payable regardless of whether a bill of exchange has been accepted. Buyer shall then be deemed to be in delay without notice being required. The assertion of other rights being reserved, a 3 % annual interest above the base interest rate will be charged.

If Buyer wishes for the NE metals to be purchased without giving a specific order at the same time, then the metals will be charged to the Buyer. Charges for metals is payable immediately and is not subject to any price reductions. Upon payment, ownership of the metals shall be transferred to the Buyer.

Buyer may only set-off against those claims which are not disputed or have been finally adjudicated by a court.

6. Reservation of Title

The following simple and extended reservations of title are deemed to be effective:

- The goods delivered by us (reserved title goods) shall remain in our ownership until all of our claims against the Buyer arising from the business transaction have been satisfied. Upon Buyer's request, we shall release our secured claims against the buyer to the extent the value of all of our secured rights exceed the value of our secured claims by over 20 percent.
- For the duration of the reserved title, Buyer is not permitted to pledge or transfer as security the reserved title goods; Buyer is only allowed to resell reserved title goods in the course of regular business and only under the condition that the retailer receives payment from his customer or reserves the right that ownership is transferred to the customer upon fulfillment of customer's duty to pay.
- Upon resale of the reserved title goods by the Buyer, Buyer assigns to us his future claims against his customer arising out of the resale by way of security together with all ancillary rights, including any open claims; no separate later declaration shall be required. If the reserved title goods are resold together with other products without a separate price being agreed to for the reserved title goods, then the Buyer shall assign to us a claim to that part of the whole purchase claim representing the price which we charged for the reserved title

goods. This claim shall have priority ranking over the claim for the remaining purchase price amount.

Upon showing of a justified interest, the Buyer shall provide us with information and documents necessary to assert his claims against the customers.

Buyer is authorized to collect on the assigned claims arising from the resale unless this authorization has been revoked. Upon existence of an important reason, in particular, delay in payment, stopped payments, institution of insolvency proceedings, bills of exchange contest, or substantiated grounds suggesting that Buyer is experiencing over indebtedness or is under threat of being unable to pay, we may revoke the Buyer's authorization to collect. Further, after giving prior notice subject to a reasonable grace period, we may give notice of the assigned security claims, realize the assigned claims as well as demand that the Buyer disclose the assignment of claims to the customers.

- Buyer is permitted to process, mix with, or attach reserved title goods to other products. The processing, mixing, or attachment (hereinafter collectively referred to as processing) shall be deemed to be done for us. The Buyer shall exercise the care of a prudent businessman in keeping custody of the new product. The new product shall be deemed to be a reserved title good.

Upon processing with other products which do not belong to us, we shall have a joint-ownership in the new product equaling the ratio of the value of the processed, mixed, or attached (hereinafter collectively referred to as processed) reserved title good to the value of the remaining processed goods at the time of processing. To the extent Buyer attains sole ownership in the new product Buyer agrees to grant us joint-ownership in the newly processed product which shall equal the value of the processed reserved title goods to the remaining processed goods at the time of the processing.

In the event the new product is sold, Buyer hereby assigns to us his claim against the customer arising from the resale together with all ancillary rights by way of security; no separate declaration shall be necessary. Assignment shall be effective however only in the amount equaling the amount we charged for the reserved title good. The partial claim assigned to us shall have priority ranking to other claims and be satisfied accordingly. With regard to the authorization to collect upon claims as well as the requirements for its revocation, the third paragraph under sub-letter "c" shall apply accordingly.

If Buyer attaches the reserved title goods to real property or a moveable, then he shall assign to us also his claim for compensation which arises from the attachment together with all ancillary rights by way of security to the extent equaling the ratio of the value of the reserved title goods to the remaining attached goods at the time of the attachment; no separate declaration shall be required.

- Buyer shall inform us without undue delay of any levy of attachment, seizure or other disposition or interference by a third person.

- If Buyer does not comply with his contractual duties, in particular, if he delays payment, we shall have the right, after expiration of a reasonable grace period granted to the Buyer for purposes of fulfilling his contractual duties, to withdraw from the contract and to demand return; statutory provisions not requiring the setting of deadlines shall remain applicable. The Buyer has a duty to return.

7. Transfer of Risk

Buyer shall bear the risk immediately upon the goods leaving our factory or upon the goods being declared ready for shipment or pick-up even if place of performance is not the place of shipment. The same applies if the goods leave a factory belonging to a third person on our instruction.

8. Warranty and Liability

Buyer shall inspect the goods delivered immediately upon delivery for any defects, incorrect deliveries or quantity; to the extent it may be determined, written notice must be given within 10 days after arrival of goods including the order and delivery certificate number. Otherwise these shall not constitute the basis of any claim.

To the extent that goods are defective, we may use our fair discretion in deciding whether to exchange or repair the goods. Only if our attempts to remove the defect are not successful, the Buyer may assert other statutory warranty claims.

We shall bear all reasonable costs for removal of the defect including the transportation costs.

The limitations period for a defective product is 12 months after putting the product into use, however no longer than 18 months after notice is given that the good is ready for shipment or delivery. This does not apply if mandatory statutory law provides for longer periods. Additional claims of the Buyer, in particular, claims for damages not arising from the delivered product itself, are excluded. This does not apply to mandatory liability arising from intentional conduct, gross negligence, the non-existence of a warranted quality, or other legal grounds.

9. Rights to Tools

Buyer's participation in the costs does not entitle him to any rights in the tools.

10. Data Protection

In keeping with the official rules and obligations regarding the handling of business data we have the right to process information about the Buyer as concerns the business transaction or in connection with such whether or not Buyer or a third person is the source.

11. Severability Clause

If any of these terms is invalid for whatever reason, the validity of the remaining terms shall remain unaffected.

12. Place of Performance, Venue, Applicable Law

Place of performance and venue is DongTai, Jiangsu Province, Peoples Republic of China. However, we may also assert our claims at a competent court located where the Buyer is domiciled.

The laws of the Peoples Republic of China shall be applicable to the contract between Buyer and us.

The UN Convention on Contracts for the International Sale of Goods from 11 April 1980 is not applicable.

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