



General terms and conditions Hagedorn Plastirol Deutschland GmbH

I. Application and conclusion of contract

1. Our General terms and conditions are only valid against merchants, artificial persons under public law or funds under public law.
2. Our conditions are applicable for all – also future – contracts, deliveries and other services including rendered advice, information and similar services. Any other agreement is excluded.
3. Buyer's General Business Conditions or other conditions of buyer altering the contract are not valid and, herewith, we expressly protest against them. They will only become applicable after our expressive written consent.
4. Orders will only become binding by our written order confirmation. Alterations and supplements should be made in writing. All offers are non-binding until conclusion of the contract unless they are marked as firm quotation.

II. Prices and packing

1. Unless otherwise agreed, our prices are to be understood ex works (EXW according to Incoterms 2000), the correspondingly valid VAT added.
2. Concerning invoicing the weights ascertained by us are relevant. Regarding the freight costs charged by us and the turnover tax the prices and rates which are valid on the date of dispatch are applicable. We are entitled to pass on to buyer price increases which arise until the date of dispatch resulting from other cost increases after expiry of six weeks as from the date of conclusion of the contract.
3. In case of deliveries to foreign countries prices include appropriate sea packaging. Duties and taxes and fees which possibly may be charged in the country of destination are to the debit of buyer. We reserve the right to charge reasonable supplemental costs for small orders.

III. Dispatch and transfer of risk

1. Choice of dispatch route, transportation means and protective packing, as well as choice of forwarding agent or carrier, is at our option.
2. Even in the case of carriage-free deliveries, the risk passes over to the orderer when leaving the works or warehouse. In the case of dispatch delays that the orderer is liable for, the risk passes over to him at the time when he is notified that the goods are ready for dispatch.
3. Upon written request of the orderer, the goods are insured at his cost against the risks to be named by him.
4. We are entitled to effect partial deliveries as far as appropriate for buyer.

IV. Delivery times and dates

1. Delivery times are only binding for us under the condition that they expressly have been confirmed by us. They start on the date of our order confirmation, however, not before proper receipt of all documents and drawings to

be delivered by buyer, required approvals and releases as well as compliance with agreed payment conditions. Our deliveries are subject to ourselves being supplied completely and in due time.

2. In case a delivery time which was agreed upon is not being kept due to our fault, after expiry of a reasonable additional period, buyer has the right to withdraw from the contract. In case of exceeding the delivery time with parts of our service buyer is entitled to withdraw from the entire contract if the partial fulfillment of the contract is not of any interest to him. In case we are in delay when exceeding a delivery time buyer is also entitled to claim for compensation of the damage due to the delay. The indemnity is limited to 5 % of the price agreed upon for that part of the entire delivery which, due to the delay, cannot be delivered in due time or in accordance with the contract. Indemnity claims of buyer exceeding the aforesaid concerning all cases of delayed delivery are excluded unless we are conclusively liable due to purpose or negligence.

3. Acts of God or other circumstances which are beyond our responsibility and which essentially aggravate or make impossible to us the delivery, such as strikes or lock-outs in our industry, shortage of raw material or energy or mobilization, war, riots, notwithstanding whether these circumstances occur with us, a pre-supplier or a subsupplier, will entitle us to extend the delivery time for the period of the obstruction or to withdraw from the contract entirely or partly for that part of the contract which has still not been fulfilled. Also buyer can withdraw from the contract as far as its execution becomes inappropriate for him. We will inform the buyer about each case of unavailability of service and in case of withdrawal immediately will reimburse considerations which already have been made by buyer.

V. Payment conditions

1. All payments are to be made in Euro and exclusively to us unless otherwise agreed upon in writing.

2. Unless otherwise agreed upon our invoices are payable within 14 days with 2 % discount and within 30 days without any discount after date of invoice. Discount provides settlement of all formerly due and undisputed invoices. Discount is not granted for payments by bill of exchange.

3. In case of default in payment of buyer we are entitled to charge interests of 8 % above the valid basis interest rate of the European Central Bank. We reserve the right to claim for further delay damages.

4. In case of buyer's default in payment we are also entitled to effect pending deliveries only against advance payment and, after ineffective request for payment cash on delivery or for security, after expiry of a reasonable additional time granted by us are entitled to withdraw from the contract and to claim for compensation due to breach of duty.

5. Buyer can only compensate those claims which are undisputed or have been legally established.

VI. Property reservation

1. The objects of the deliveries (reserve goods) remain our property until settlement of all claims against buyer in our favour which result from the business relation. In case of current invoices security purpose of the property reservation comprises also the ascertained balance.

2. During the existence of the property reservation buyer fiducially keeps the reserve goods for us. He is obliged to keep them in separation from his and third party's property, to duly store, secure and insure them and to mark them as our property. For this period he is not allowed to pledge or to pledge as security the reserve goods and he is only permitted to sell them during the usual course of business and only under the condition that buyer receives the payment from his customer or agrees upon the reservation that the property is only transferred to his customer after the latter completely has fulfilled his payment obligations.

3. In case buyer sells the reserve goods, already now, he assigns to us his future claims which result from the sale against

his customers with all covenant rights – including possible balance claims from General terms and conditions current account – for security purposes. Should the reserve goods be sold together with other items without having agreed upon an individual price for the reserve goods the buyer assigns to us with prior rank before the remaining claims that part of the total claim which corresponds to the price of the reserve goods charged by us. Any payment which buyer receives for the reserve goods has to be kept for us fiduciarily and separately from his own and third parties' property during the period of the property reservation.

4. Buyer is allowed to manufacture, to combine with other objects or to modify the reserve goods. The manufacture, modification or combination is effected for us. Buyer stores the new item for us with the care of an ordinary merchant. The manufactured, modified or combined item is considered as reserve goods.

5. In case of manufacture, modification or combination with other objects not belonging to us we are entitled to joint ownership of the new item for the amount of the share which results from the ratio of the value of the manufactured, modified or combined reserve goods compared with the value of the other manufactured goods at the time of manufacture, modification or combination. In case buyer acquires sole ownership of the new object buyer grants to us joint ownership of the newly created object in the ratio of the value of the manufactured, modified or combined reserve goods compared with the other manufactured, modified or combined goods at the time of manufacture, modification or combination.

6. In case of a sale of the new object buyer assigns to us his claims resulting from the sale against his customers with all covenant rights – including possible balance claims from current account – for security purposes. However, the assignment is only valid for the amount which corresponds to the value charged by us for the manufactured, modified or combined reserve goods. The part of claim assigned to us is to be settled with priority.

7. In case of combination of the reserve goods by buyer with premises or moveables buyer assigns to us his claims to which he is entitled as remuneration for the combination with all covenant rights – including possible balance claims from current account – for security purposes for the amount of the ratio of the value of the combined reserve goods compared with the other combined goods at the time of combination.

8. As far as the value of all security rights in our favour exceed by more than 20% the amount of all secured claims we will release on buyer's request a corresponding part of the security rights.

9. Until our recall buyer is entitled to collect the assigned claims which result from the sale or combination. We are entitled to recall buyer's permission for collection in case of important reason, especially in case of payment default, payment stop, opening of an insolvency procedure, protest of a bill or in case similar justified evidences do exist which give reason to assume buyer's insolvency. Moreover, in such cases we are entitled to disclose the security assignment, to exploit the assigned claims as well as to request disclosure of the security assignment by buyer. Buyer is obliged to give us the information and to hand on the documents which are required for assertion of our rights resulting from the assignment.

10. Buyer has to notify us immediately about levy, seizure or other dispositions or intervention by third parties.

11. In case of buyer's culpable infringement against essential contract duties, especially in case of default in payment, after expiry of a reasonable additional time, we are entitled to take back the reserve goods. Buyer is obliged to return. The return resp. enforcement of the property reservation or destraint of the reserve goods by us is not a withdrawal from the contract unless we expressly have declared so. After prior threatening, we are entitled to exploit the reserve goods taken back and, under deduction of open demands, to meet our claims from the resulting returns.

VII. Defects

1. Minor or merchantable deviations in quality do not represent any redhibitory defect.
2. We do not give any guarantee for the durability or condition of the ordered goods. This is also valid in case of presentation of samples and specimens, reference to technical norms or in case of advising the buyer beyond the delivery.
3. Deficiency claims have to be raised without delay with exact indication of the delivery. In case of hidden defects claim is to be raised without delay after disclosure. Claims which have been raised with delay are excluded.
4. In case of justified claims which have been raised in due course we will effect subsequent performance. Should the subsequent performance fail it's the buyer's choice to demand a reduction of the remuneration or to withdraw from the contract.
5. Further claims of the customer resulting from delivery defects against us and our vicarious agents are excluded notwithstanding any claim of our customers according to paragraph VIII (liability).
6. Any deficiency claim will fall under the statute of limitations after one year as from delivery of the goods. This is not valid for the compulsory limitation periods for buyer's claims due to building and building material defects and buyers's recourse.

VIII. Liability

Buyer's claims for damages and expenses, notwithstanding the legal consideration, especially due to contractual breach of duty and due to unauthorized action are excluded. This is not valid as far as we are compulsorily liable according to the Product Liability Law and in case of buyer's recourse, in cases of malice or gross negligence, in case of harm of life, body or health, for taking over of guarantees or the breach of essential contractual obligations. However, damages for breach of essential contractual duties are limited to representative contractual and predictable damages with exclusion of cases of malice or gross negligence. The regulations mentioned above do not include a change of burden of proof to the detriment of the customer.

IX. Miscelenious

1. The exclusive contract language also for the present general business conditions is the German language. Regarding questions of interpretation of the contract exclusively the German version of the general business conditions is prevailing. The present conditions replace any other agreement which, previously, had been made by the contract parties in writing or orally and which becomes void upon signing of the present conditions.

X. Applicable law and place of jurisdiction

1. Only German law is applicable. The application of the Convention of the United Nations dd. 11th April 1980 concerning contracts for the national purchase of goods (CSIG) is excluded.
2. Place of jurisdiction for any litigation resulting directly or indirectly from this contract including actions concerning checks and bills of exchange is the location of our company. However, we are entitled to claim against the buyer also at any legal place of jurisdiction.

Hagedorn Plastirol Deutschland GmbH

Osnabrück

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