

1. General provisions

These conditions shall apply exclusively for all deliveries and services of Bayerische Kabel-werke AG (hereinafter: the Supplier) to customers (hereinafter: the Purchaser) even if not expressly referenced in the event of future business transactions and/or if the Purchaser uses other delivery terms. Such deviating conditions from the Purchaser as well as subsidiary agreements shall only be binding if they are confirmed by the Supplier in writing.

The order quantity shall be supplied in the agreed standard lengths within the permitted tolerances. By contrast, up to 10% of the delivery quantity can be supplied in other lengths. Deviations in quality, quantity, weight, dimensions, appearance or colour which are typical for the industry or which are related to raw materials or production, are reserved. The Supplier is entitled to supply cable products (all products and services e.g. cables, piping, semi-finished products, colour concentrates, composites) in excess or undercut lengths for production reasons. Fitted lengths, i.e. exact lengths desired by the Purchaser, must be identified as such in the order. The Purchaser shall have a claim to subsequent delivery of any shortfall quantities in a regular length, at a cost. Partial deliveries shall be permitted. The return of delivered goods to the Supplier, regardless of the grounds, is only permitted upon prior agreement.

The unrestricted property rights and copyrights in respect of the exploitation rights to all released documents (e.g. drawings, data sheets, cost estimates etc.) shall lie with the Supplier. They may only be made available to third parties following prior written approval from the Supplier and shall be returned immediately to the Supplier on request.

2. Offer/Order confirmation

In principle, offers shall take place subject to confirmation and are also non-binding for follow-up orders. Unless anything to the contrary is agreed, the validity of all offers amounts to 10 days. The order shall be considered clarified when the Supplier is in a position to bindingly confirm the order with regards to quantity, type, delivery time etc. If there is no procurement possibility for the raw materials required to execute the order, the Supplier shall be entitled to withdraw from the contract.

All information on diameters and characteristics of the cable products shall be considered as approximate. The Supplier reserves the right to deviations caused by production or the characteristics of raw materials during construction to the extent that this is reasonable and does not thereby affect the performance and quality. The Supplier shall confirm clarified orders in the form of an order confirmation. Only then shall the price and service information, as well as any declarations or assurances, become binding.

3. Prices

A distinction is made between the following price types:

Power cable

"Hollow" price:	corresponding list price
Net hollow price:	corresponding list price minus discount
Net current price:	corresponding list price minus discount, plus metal value (Cu, Al, Pb)

Communication cables, railway and signal cables

Base price:	corresponding list price (Cu basis €100, possible Pb basis €50)
Net base price:	corresponding list price (Cu basis €100, possible Pb basis €50) minus discount
Net current price:	corresponding list price (Cu basis €100, possible Pb basis €50) minus discount, plus metal value (Cu, Pb)

Piping

Base price:	corresponding list price (Cu basis €150)
Net base price:	corresponding list price (Cu basis €150) minus discount
Net current price:	corresponding list price (Cu basis €150) minus discount, plus metal value (Cu, Pb)

Metal value: value:
The metal prices are calculated from the metal figures given in the Supplier's sales catalogue or offers, multiplied by the metal quotations plus procurement costs.

The following are authoritative for the calculation of the metal value in €/100 kg:

Copper:

DEL quotation based on reports of the purchase price by the significant copper processors and copper providers, plus 1% procurement costs.

Aluminium:

Quotation for aluminium in cables; the basis of this quotation is the quotation for high-conductivity aluminium (conductive high grade aluminium) delivered free to Germany which varies daily, plus the surcharges for reworking into Properzi wire which are typical for the industry.

Lead:

"Lead in cables" quotation

The quotations for the metal value on the day following the receipt of the clarified order at the Supplier's factory shall be authoritative for calculating the prices. If the quotation is not made on this day, the next quotation shall apply.

Quotations used in offers are not binding. If metals are provided to the Supplier, the hollow price shall be charged. Reworking transactions shall be agreed separately. Metal or reworking goods which the Purchaser is obliged to supply must be made available at the Supplier's factory at the latest 6 weeks before the expiration of the delivery period.

The prices are agreed in EUROS and exclusive of VAT. This shall be invoiced separately according to the applicable rate and corresponding to the applicable tax provisions.

The price lists, calculations or offers which are valid or agreed on the day of the delivery shall be the basis for the price calculations. For deliveries within Germany, the following delivery conditions shall apply for goods with values in excess of €500, without unloading:

- free delivery by lorry

- For DB shipments of general cargo, free to the general cargo location excluding freight charges upon receipt.

- for dispatch by railway wagon, free to the station of receipt

For export deliveries, the prices shall apply free to the German border.

Additional costs due to particular shipping guidelines or collections requested by the Purchaser shall be borne by the Purchaser. Unloading or reloading must be carried out by the Purchaser at their own cost.

The Supplier reserves the right to charge a reasonable surcharge for cutting, packing and spools for small orders

4. Terms of payment

The payment term shall begin with the invoice date (day of delivery) or the notification of readiness for dispatch.

Cheques and transfers shall only be accepted on account of payment. All payments must be made free of any charges to the Supplier's paying agent.

In the event of payments in cash (cheque, transfer) or advance payments, we shall grant a discount upon agreement according to our order confirmation or invoice, but not before settling our overdue claims. Unless agreed otherwise, the payment term amounts to 30 days net. The Supplier reserves the right to request advance payments and immediate payments at any time, as well as to make the delivery dependent on securities in the event of doubts regarding the creditworthiness of the Purchaser.

A right of retention for the Purchaser shall only exist in the event of undisputed or legally enforceable claims; offsetting from other contractual relationships is excluded. The Supplier shall be entitled to avert the execution of the right of retention through the provision of a security, even through a guarantee.

If the Purchaser wholly or partially defaults on his payment obligation, from this point on he shall pay default interest each year in the amount of 8% above the basic interest of the European Central Bank, irrespective of any other rights of the Supplier, provided the Supplier does not prove higher damages. In the event of defaults in payment, we reserve the right to only process further orders/deliveries with payment in advance.

If the Purchaser stops his payments, if there are excessive debts or if the opening of insolvency proceedings is requested, or if the Purchaser defaults on the redemption of any bills of exchange or cheques which are due, the total claim from the Supplier shall be due immediately. The same shall apply in the event of a significant deterioration of the Purchaser's financial circumstances. In this case, the Supplier shall be entitled to request reasonable securities or to withdraw from the contract.

If metals (copper, aluminium, lead) are inserted at the request of the Purchaser without a specific contract on cable tools being issued, the metals shall be invoiced. The metal surcharge shall be due immediately and without a deduction. After successful payment, the metal shall become the property of the Purchaser.

5. Packaging

Goods packaging (paper, film, cardboard etc.) for standard products is included in the product price. Shipping packaging shall be billed separately.

The delivery of pallet cages and flat pallets shall take place in exchange. If delays occur in the exchange, the costs occurring to the Supplier shall be invoiced to the Purchaser.

For sending goods on spools with a wheel diameter of 0.5 to 2.8m, spools from Kabeltrommel GmbH & Co. KG, Cologne (KTG) shall be used as far as possible. Cable spools which are the property of KTG shall be delivered in the name and on account of KTG and according to their General Terms and Conditions for the Transfer of Cables and Cable Spools. KTG's own spools are recognisable by the KTG emblem. The delivery of cables on KTG's own spools shall be indicated in the offer and the order confirmation. The General Terms and Conditions for the Transfer of Cables and Cable Spools are on display on the premises of the seller and can also be retrieved at www.kabeltrommel.de or can be sent on request. It should be noted that in the event of delayed returns, KTG shall charge rent ("spool rent") which the buyer (recipient of the cable spools) must pay.

All factory spools shall remain the property of the Supplier. The transfer shall take place as a loan. The Purchaser shall be liable in the event of loss or damage. After being released, the factory spools must be returned to the Supplier's factory in good condition. The freight costs shall be borne by the Purchaser. During the first 3 months or the agreement of absence from the supplying factory, the spools shall be loaned without any fees. From the 4th month on or after the agreement, the spool rent shall amount to 15% of the spool collateral value for each month which has begun. Spools which have not been returned after 12 months have passed shall be charged at their full collateral value. The Supplier shall pay 25% of the collateral value for spools in proper condition which the Supplier takes back after this term, but within 3 years of the delivery date. A separate agreement shall be concluded for exporting.

Supporting wood and spool casing shall be charged at cost prices and shall not be taken back.

6. Retention of title

The goods (retained goods) shall remain the property of the Supplier until the fulfilment of all claims against the Purchaser to which he is entitled, even if the individual goods have been paid for. If the value of the security exceeds the Supplier's claims against the Purchaser from the ongoing business relationship by more than 25%, the Supplier shall release a corresponding share of the security rights at the request of the Purchaser. The retained goods may not be pledged or assigned as a security.

In the event of resale or rental of the retained goods, as permitted in the ordinary course of business, the Purchaser shall assign any future claims from the resale or rental against his customers to the Supplier as a precaution until the settlement of all the Supplier's claims, without any special declarations being required later. The assignment shall include balance claims which result as part of existing current account relationships or in the event of the termination of such relationships between the Purchaser and his customers.

If a legitimate interest in demonstrated, the Purchaser must provide the Supplier with the information required to assert his rights against the customer and must release the necessary documents for this. If the retained goods are resold or rented together with other items without an individual price being agreed for the retained goods, the Purchaser shall assign to the Supplier, with priority over the remaining claims, the part of the total price claim or total interest which corresponds to the value of the retained goods invoiced by the Supplier.

Until revocation, the Purchaser shall be entitled to collect the assigned claims from the resale or renting. All costs of collection and any intervention shall be borne by the Purchaser. Where is good cause, in particular a delay in payment, a stoppage of payments, the protest of a bill or the opening of insolvency proceedings, or if other comparable grounds are present which suggest the Purchaser may be insolvent, the Supplier shall be entitled to revoke the Purchaser's collection authority. Furthermore, after threatening the disclosure of the security assignment or the exploitation of the assigned claims, the Supplier may, in adherence to a reasonable notice period, disclose the security assignment, exploit the assigned claims and demand that the Purchaser discloses the security assignment to the customer.

In the event that the equivalent value of the claims assigned to the Supplier is received by the Purchaser or a bank of the Purchaser, the Purchaser is obliged to immediately report their receipt and transfer it to them.

If the Purchaser processes the retained goods, reforms them or combines them with other items, the processing, reforming or combining shall take place for the Supplier. They shall immediately become the owner of the item produced through the processing, reforming or combining. If this is not possible for legal reasons, the Supplier and Purchaser agree that the Supplier shall be the owner of the new item at every stage of the processing, reforming or combining. The Purchaser shall store the new item for the Supplier with the care of a prudent businessman. The item produced through the processing, reforming or combining shall apply as retained goods. In the event of processing, reforming or combining with other items not belonging to the Supplier, the Supplier shall have joint ownership of the new product in a share reflecting the ratio of the value of the processed, reformed or combined retained item to the value of the new item. In the event of resale or renting of the new item, as a precaution the Purchaser shall hereby assign to the Supplier his claims from the resale or renting against his customers along with all ancillary rights, without any special declarations being required later.

If the retained goods are combined with land or moveable property, as a precaution the Purchaser shall assign the claims to which he is entitled as remuneration for the combining, along with all ancillary rights, to the Supplier without any special declarations being required later. If the Purchaser is the owner of the land or if for other legal reasons he is entitled to a claim to the rent from this land, he shall also assign this rent to the Supplier.

The assignment shall apply respectively only in the amount of the sum corresponding to the value invoiced by the Supplier of the processed, reformed or combined retained goods. The claim share assigned to the Supplier shall have priority over the remaining claims.

The Purchaser shall inform the Supplier forthwith of any pledging, seizure or other act of intervention by third parties.

Should the Purchaser act in violation of the agreement, notably in the case of default in payment, the Supplier shall be entitled to recovery. The Purchaser shall be obliged to return the retained goods. The taking back or assertion of the retention of title by the Supplier does not require withdrawal on the part of the Supplier; no withdrawal from the contract lies in these actions or the pledging of the retained goods by the Supplier unless the Supplier has expressly declared this. After a prior warning, the Supplier shall be entitled to otherwise exploit the retained goods and use the proceeds thereof to offset his outstanding claims.

7. Delivery

Delivery periods are only binding if the Supplier expressly acknowledges them as such in writing. The delivery period shall begin on the day on which the order was clarified and an order confirmation is present. The delivery period shall be adhered to when the goods leave the factory or the warehouse within the period. If the shipment or collection is delayed for reasons which are not the fault of the Supplier, the period shall be considered as adhered when the readiness for dispatch notice is given within the agreed period.

If the non-adherence to the period is due to force majeure, e.g. bad weather, mobilisation, war, riot or strike, lock-out, incorrect or delayed deliveries from suppliers or the occurrence of unforeseeable obstacles which are beyond the control of the Supplier or his suppliers, the period shall be extended appropriately.

If the Supplier falls behind schedule, the Purchaser can request delay compensation for each week of the delay which has been completed in the amount of 0.5% up to a maximum of 5% of the value of the goods which were delivered late if he credibly establishes that he has incurred damages as a result of the delay. Other compensation claims from the Purchaser due to delivery delays and in lieu of performance shall be excluded in all cases of delivery delays, even if a grace period set for the Supplier expires. This shall not apply in cases of intent, gross negligence or due to injury to life, limb or health. Any change to the burden of proof to the detriment of the Purchaser shall not be linked to this.

Otherwise the right of the Purchaser to withdraw after an unsuccessful expiration of a grace period set for the Supplier shall remain unaffected.

The Purchaser is obliged to state whether or not he wishes a withdrawal from the contract and/or compensation in place of performance due to a delay in delivery within an appropriate period when requested by the Supplier.

If the Purchaser causes a delay in the shipment or delivery of the delivery objects, the Supplier shall be entitled to charge the resulting additional costs to the Purchaser.

8. Transfer of risk/Incoterms

For deliveries ex works, the risk (transport and remuneration risk) shall transfer to the Purchaser when the goods have left the factory or warehouse of the Supplier, irrespective of whether this occurs with their own or external means of transport. In the event of free deliveries, the risk shall transfer to the Purchaser when the Purchaser receives the goods, before unloading. If the shipment is delayed due to

circumstances caused by the Purchaser or if, at the request of the Purchaser, the shipment takes place at a later time than was agreed, the risk shall transfer to the Purchaser from the day of the notification of readiness for dispatch for the duration of the delay. The Supplier is obliged to conclude the insurances requested by the Purchaser at the request and cost of the Purchaser. Without a specific request from the Purchaser, a delivery shall not be insured against theft, break-in, transport and fire damage. If the Purchaser requests the conclusion of insurance, this shall be concluded at the cost of the Purchaser. The Incoterms shall apply for exports in their applicable version.

9. Material defects

The Supplier shall be liable as follows for material defects:

- a) All parts which are proven to be unusable or whose usability is significantly impaired due to material defects before the transfer of risk and during the limitation period—irrespective of the service life—must be either repaired or redelivered, at the discretion of the Supplier.
- b) In the case of cable products, material defects shall only be considered as defects if they would have led to disruptions under normal circumstances with proper handling.
- c) Shortfall quantities and visible material defects must be immediately established upon arrival and disclosed to the Supplier in writing, giving the order and delivery number. Otherwise, rights cannot be derived from them.
- d) The inspection as to whether a material defect is present must, if applicable, take place according to the standards applied in cable construction or on the basis of the agreed conditions. If this inspection shows that no material defect is present, the costs shall be borne by the Purchaser.
- e) Defect claims shall expire 12 months after delivery or the notification of readiness for dispatch. This shall not apply insofar as the law according to §§ 438 (1) No. 2 (construction work and objects for construction), 479 (1) (recourse claim) and 634a 1 No. 2 (structural defects) of the BGB [German Civil Code] considers longer periods to be more appropriate.
- f) The Purchaser must always allow the Supplier the required time and opportunity to remove the defect, at their discretion. If he refuses this, the Supplier shall be freed from the defect removal.
- g) If the Supplier allows a reasonable grace period set for him to expire without removing the defect, if the repair is impossible, refused or does not lead to a removal of the defect and the Purchaser cannot be expected to conduct further repairs, the Purchaser shall have the right to reduce the remuneration in a reasonable proportion to the material defects which have occurred, irrespective of any compensation claims according to clause 11. If the Purchaser and the Supplier do not agree on the reduction, the Purchaser shall also be entitled to withdraw.
- h) Claims from the Purchaser shall expire if goods were damaged through improper handling or storage or if changes or repairs were carried out on them without the written consent of the Supplier and the changes or repairs led to the material defect.
 - i) The parts replaced in fulfilment of claims for defects shall become the property of the Supplier upon removal.
 - j) The Supplier shall be liable for repair works and replacement parts to the same extent as for the original delivery object and within the limitation period applicable for the original delivery object.
 - k) Claims made by the Purchaser related to costs required for subsequent performance, in particular transport, infrastructure, labour and material costs, shall be excluded, if said costs increase because the object of delivery is subsequently transferred to a location other than a subsidiary of the Purchaser, unless said transfer corresponds to its proper use.
 - l) Recourse claims made by the Purchaser against the Supplier shall only be accepted if the Purchaser has not made any agreements with its buyers that extend beyond statutory claims of defect. Moreover, paragraph k) shall apply for the scope of the Purchaser's recourse claim against the Supplier.

For compensation claims, clause 11 (other compensation claims) shall otherwise apply. Further claims made by the Purchaser against the Supplier and its vicarious agents other than the claims for material defects set out in this clause 9 shall be excluded.

10. Property rights

The Supplier shall assume the domestic liability against the Purchaser for the delivery object being free from the property rights of third parties.

This is on the condition, however, that the Purchaser immediately informs the Supplier of claims from property

rights which third parties raise against him and acts in agreement with the Supplier when dealing with these claims and pursuing his rights. If one of these conditions is not fulfilled, the Supplier shall be free from his obligation. If a breach of third party property rights occurs for which the Supplier is liable and if the Purchaser is legally forbidden from using the lease object in whole or in part, the Supplier shall, at his own cost and discretion, either

- a) procure the right to use the lease object for the Purchaser or
- b) configure the delivery object so as to avoid a violation of rights or
- c) replace the delivery object with another object with corresponding capabilities which does not infringe on any property rights or
- d) return the delivery object against reimbursement of the purchase price.

If the Purchaser makes changes to the delivery object, installs additional devices or combines the delivery object with other devices or equipment, and if third party property rights are breached in doing so, the liability of the Supplier shall not apply.

Likewise, the Supplier shall not be liable for the breach of external property rights for a delivery object which is manufactured according to the drawings, designs and other information from the Purchaser. In this case, the Purchaser must indemnify the Supplier from all third party claims.

The Purchaser shall not be entitled to additional or other claims due to a breach of third party property rights. In particular, the Supplier shall also not compensate for any consequential damage, such as disruptions in production or use, or lost profit. This shall not apply if there is mandatory liability in the event of intent or gross negligence.

The Purchaser shall not acquire any claims to use of the property rights available to the Supplier which concern the interaction of the delivery object with other items.

11. Other claims for damages

Unless anything to the contrary is specified above, the Supplier and its performing and vicarious agents shall be liable for the Purchaser's compensation claims as follows:

- a) Liability for personal injury shall be governed by the applicable laws.
- b) The liability for material damage is limited to 500,000 euros per claim and 1 million euros in total.
- c) Liability for financial losses is excluded.

The liability restriction under b) and the liability exclusion under c) shall not apply if liability is mandatory, e.g. in accordance with the German Product Liability Act, in case of intent, gross negligence, injury to life, limb or health or a breach of fundamental contractual obligations. Any change to the burden of evidence to the detriment of the Purchaser shall not be linked to the aforementioned regulations.

If the Purchaser is entitled to make claims for damages in accordance with this clause 11, said claims shall expire at the end of the period of according to clause 9e.

12. Place of performance, Jurisdiction, Binding nature

The place of performance for all statutory and contractual claims is a choice of the factories or warehouses of the Supplier. The place of jurisdiction for disputes is Schwabach.

If individual provisions of this agreement are ineffective, the validity of the remaining provisions and the contract itself shall not be affected by this.

The contract shall be subject to the laws of the Federal Republic of Germany. All legal relationships with us shall solely be subject to the law of the Federal Republic of Germany. The application of the United Nations Agreement of 11 April 1980 on contracts for the international sale of goods (UN Convention on Contracts for the International Sale of Goods) shall be excluded.