

## General Terms and Conditions of Sale

### 1. Preliminary Remarks

1. Our goods and services shall only be rendered on the basis of the following general terms and conditions.
2. If a Buyer has terms and conditions of business contrary to, or differing from, our terms and conditions of business, they are hereby rejected unless we have expressly agreed to their application in writing. Our terms and conditions of sale shall also apply in those cases in which, we deliver a consignment to the Buyer without reservation in the awareness that his terms and conditions of business differ from our terms and conditions of sale.
3. Our terms and conditions of sale shall also apply for all future business transactions, even if they have not been expressly agreed again. Terms and conditions of sale differing from these shall be subject to our express written consent.
4. **Compliance with statutory regulations is absolutely essential if our monofilaments are to be used in medical products or in direct contact with food.**

### 2. Prices, Invoicing, Method of Payment, Offsetting

1. Unless agreed otherwise, our prices shall be in Euro, carriage free to named destination in accordance with Incoterms, including packing, excluding the statutory rate of VAT in force at that time.
2. It shall be the weight at dispatch plus the price in force on the date of invoice that shall count. It shall be regarded as having been agreed in the contract that invoices are to be presented by fax message – provided that the Buyer expressly wishes to have invoices presented in this way.
3. Unless agreed otherwise, payments are to be made by bank transfer to account 10220750 at HypoVereinsbank, subsidiary Augsburg (BSC: 720 200 70; SWIFT: HYVEDEMM408; IBAN DE52 7202 0070 0010 2207 50).
4. The Buyer shall only be entitled to offset if his counter-claims have been declared final and absolute in a court of law are uncontested or have been recognised by us. Besides which, he is only entitled to exercise a right of retention to the extent that his counter-claim is based upon the same contractual relationship.
5. In the event of a delay in payment, as well as if there are substantiated doubts as to the solvency or credit-worthiness of the Buyer – irrespective of our other rights – we shall be entitled to demand payment in advance for consignments not yet delivered and to make all claims under the business relationship payable immediately. Our obligation to manufacture and supply shall be suspended as long as the Buyer is in default with payment due.

### 3. Delivery period

1. The agreed delivery periods and delivery dates shall always be regarded as being non-binding unless an agreement has expressly been made otherwise. A delivery period stated by us will not commence before all technical queries have been clarified.
2. Compliance with our obligation to supply shall be dependent upon the Buyer fulfilling his obligations properly and on time. The Seller reserves the right to claim the objection that the Buyer has not fulfilled his part of the contract.
3. If the Buyer is in default with taking delivery of a consignment, we shall consequently be entitled to assert a claim for compensation in the form of a lump sum equal to 1% of the net invoiced amount for each completed week of default, not, however, to exceed 10% of the net invoiced amount. We shall reserve the right to assert claims over and above this.
4. Provided that the preconditions in Number 3.3 have been satisfied, the risk of accidental loss or accidental deterioration of the goods shall pass over to the Buyer at the point in time at which he found himself in default with taking delivery of the goods or with the payment of an invoice.
5. Operational disruptions, exceeding delivery periods or the failure of sub-suppliers to supply the proper goods on time, power cuts or shortages in raw materials, traffic hold-ups shall provided that it was not possible to foresee these occurrences, plus strikes, lock-outs, official instructions and instances of force majeure shall exempt the party affected from the obligation to supply / accept goods for the duration of the disruption and for the scope of its impact. If supply or acceptance is delayed by more than 1 month as a result of the above disruptions, each party shall be entitled to withdraw from the contract with regard to the amount of goods affected by the disruption in supply or acceptance.

### 4. Warranty concerning material defects / Liability

1. The goods must incorporate state-of-the-art technology unless written agreements have been made otherwise.
2. The Buyer shall have to verify whether the supplied goods are as agreed in the contract and suitable for the intended use. We should be notified of identifiable defects straight away, and concealed defects are to be notified after they have been discovered. Goods about which a complaint has been made may only be returned with our express consent.
3. In so far as the goods are defective, the Buyer shall be entitled to demand subsequent fulfilment whether by having the defect rectified or by having a defect-free thing supplied. In so far as the subsequent fulfilment is unsuccessful, the Buyer shall, as he chooses, be entitled to withdraw from the contract or to reduce the purchase price. This shall also apply if we refuse to render subsequent fulfilment in all seriousness and for once and for all. If there is just a minor defect, the Buyer shall only be entitled to reduce the purchase price.
4. We shall be liable in accordance with the statutory regulations in so far as the Buyer asserts compensation claims for damages attributable to intent or gross negligence, including intent or gross intent on the part of our representatives or assistants. If we are not accused of any intentional breach of contract our liability for damages shall, in any event, be limited to the value of the respective consignment.
5. For the rest, we shall be liable in accordance with the statutory regulations in so far as we are in culpable breach of an important contractual obligation; even in this case our liability to pay compensation for damages shall be limited to the value of the respective consignment. A contractual obligation is important if it grants the contracting partner rights which are to be granted to him from the contract in accordance with its contents and purpose and/or if it enables the proper implementation of the contract in the first place so that the contracting partner may rely on its fulfilment.
6. Our liability on account of culpable loss of life, personal injury or physical harm shall not be limited. This shall also apply for our compulsory liability in accordance with the German Product Liability Act.
7. The period of limitation for warranty claims shall be limited to 12 months starting from the passing of risk.

### 5. Overall liability

1. We shall have no further liability to pay compensation for damages other than that provided for in Section 4 – regardless of the legal reason upon which a claim is based. This shall apply in particular for compensation claims for damages based on faults when the contract was signed, on account of other breaches of duty or on account of tortious compensation claims for property damage in accordance with Section 823 of the German Civil Code [BGB].
2. The limitation of liability in accordance with Number 5.1 above shall also apply in so far as the Buyer demands compensation for expenditure he has incurred in vain instead of a compensation claim for damages instead of performance.
3. In so far as the liability for compensation for damages against us is precluded, this preclusion shall also apply with regard to the personal liability of our salaried employees, wage-earning employees, workers, representatives and assistants to pay compensation for damages.

### 6. Trade Mark

Trade marks may only be used with the special written consent of the holder of the trade mark in connection with the products manufactured by the Buyer.

### 7. Reservation of Title

1. We reserve the right of title to the goods supplied as security for all the claims accruing to us against the Buyer under the business relationship. In the event that the conduct of the Buyer is in breach of contract, in particular in the event of default in payment, we shall be entitled to take back the goods. Taking back the goods by us shall not constitute withdrawal from the contract. After taking back the goods we shall be entitled to sell them. The sale proceeds – minus a reasonable sum to cover the costs of the sale – are to be offset against the Buyer's liabilities.
2. Our title shall cover the new products produced as a result of the goods subject to reservation of title being processed. The goods subject to reservation of title shall be processed for us as the manufacturer. If goods belonging to us are processed, combined or mixed with goods not belonging to us, we shall acquire co-ownership in proportion to the invoiced value of his goods subject to reservation to the invoiced value of the other materials.
3. All accounts created by the sale of goods subject to reservation of title including drafts and cheques to secure the respective accounts in accordance with Para 1 above shall be assigned to us here and now. We accept this assignment. When goods in which we have co-ownership are sold, the assignment shall be limited to the proportion of the account commensurate with our co-ownership share.
4. As long as the Buyer is prepared and is in a position to fulfil his obligations to us in due order, he may dispose of the goods belonging to us or goods where we have co-ownership in a proper commercial transaction and collect the accounts assigned to us himself. We shall undertake not to collect the account ourselves for as long as the Buyer fulfils his payment obligations from the revenues to collect, does not fall into default with his payments to us and in particular that no application is made to instigate composition or insolvency proceedings or he stops making his payments. If this is the case, we may consequently demand that the Buyer informs us of the assigned accounts and who owes them and passes over all the information we need to collect them by handing over the documents required for collection and notifies the debtors that the accounts have been assigned to us.
5. Assignments by way of security, pledges and assignment of accounts, including factoring, may only be carried out by the Buyer with our prior written consent.
6. If the value of the securities exceeds the accounts to be secured by more than 10%, we shall, at the Buyer's request, consequently release such securities as he chooses in response.

### 8. Technical Documents

Technical documents provided by Buyer for manufacture of the article to be delivered may not be used by us for purposes unrelated to the contractual agreement, nor shall they be duplicated or made available to third parties.

### 9. Packing / Spools

1. Packing handed over on loan including spools is to be returned carriage free (unless an agreement is made otherwise in writing) in a proper condition to the works supplying them within one year from the date of invoice. If this does not happen or if the condition of such packing does not allow reuse, we may charge the Buyer for the cost of obtaining replacements.
2. Other packaging and packaging aids may only be reused in commercial transactions after our company logo and name, our trade mark or other designations have been rendered illegible.

### 10. Final Provisions

1. German law shall apply as well, if applicable, as INCOTERMS 2010 provided that not written agreement has been made otherwise. In the event of conflict, INCOTERMS 2010 shall take precedence over the above and following regulations.
2. Our place of jurisdiction shall be the courts having jurisdiction where our principal place of business is located, provided that this is legal. We shall however also be entitled to take legal action against the Buyer at the courts having jurisdiction where he has his place of residence. If the Buyer does not have any general place of jurisdiction in Germany, or in another EU member state, the courts having jurisdiction where our place of business is located shall be the sole place of jurisdiction for all disputes arising from this contract.
3. The contractual language is German.
4. If one or more provisions of these terms and conditions should be invalid, this shall not affect the validity of the remaining provisions.

Version dated April 2011 Nextrusion GmbH



General Manager  
A. Fischer



Director Sales & Marketing  
B. Fischer