

GENERAL SALE CONDITIONS OF SOSTA B.V.

1. Definitions

In these general conditions the following words have the meaning set out next to them:

<i>“Agreement”</i>	each agreement for the supply of goods or services by Sosta to the Customer;
<i>“Customer”</i>	the buyer or prospective buyer of goods or services to be supplied by Sosta;
<i>“Parties”</i>	Sosta and the Customer;
<i>“Party”</i>	Sosta or the Customer;
<i>“Sosta”</i>	Sosta B.V. or any of its associated companies.

2. Applicability

- 2.1 These general sale conditions apply to all Agreements, as well as to all offers, requests for an offer, orders and order confirmations for the supply of goods or services by Sosta to the Customer.
- 2.2 These general sale conditions also apply to the supply of goods or services by any associated company of Sosta.
- 2.3 These general sale conditions shall also apply to all future dealings between Sosta or its associated companies and the Customer.
- 2.4 Any general conditions of the Customer are expressly rejected by Sosta.

3. Conclusion of Agreements

- 3.1 An Agreement shall only become effective when confirmed in writing by a duly authorized representative of Sosta, or when Sosta has commenced (preparations for the) performance under the Agreement.
- 3.2 All offers made by Sosta are subject to change. Sosta may at any time correct any inadvertent errors and oversights in its offer or other documentation without liability for any loss resulting from these errors.
- 3.3 Any order placed by the Customer may be accepted by Sosta within two weeks.
- 3.4 Sosta reserves sole title and copyright to offers, cost estimates and other documents. These documents are intended for use by the Customer only.

4. Confidentiality

- 4.1 Each Party shall use any documents (including offers and cost estimates) and knowledge obtained as part of the commercial relationship for the agreed purposes only and will not disclose them to third parties, in case the other Party identifies them as confidential or has an obvious interest in keeping them confidential.

4.2 This obligation shall not apply to documents and knowledge that are generally and publicly known or were already known to the Party in question when they were received, without that Party being bound to confidentiality, or which were passed to it by an authorized third party without any breach of confidentiality, or which were developed by the receiving Party without the use of confidential documents or knowledge from the other Party.

5. Prices

5.1 Unless stated otherwise in the order confirmation of Sosta, quoted prices shall be Ex Works (Incoterms 2000) Sosta GmbH & Co KG, Windrose 1-2, 06420 Könnern, Germany, and exclusive of statutory value-added tax.

5.2 Costs for changes to orders shall – if accepted by Sosta – be borne by the Customer.

5.3 In the case of contract manufacturing, the value of scrap and other order-related waste shall be included in the remuneration.

5.4 Agreed prices are not binding for follow-up orders, unless expressly agreed in writing.

6. Payment

6.1 All invoices of Sosta shall be due and payable immediately, unless specified otherwise.

6.2 All payments to Sosta shall be made without any deductions or retentions whatsoever and free of set-off. Specifically, no deductions or retentions are to be made or payments withheld for any kind of claim in liquidated damages or other claims in relation to the asserted non-performance of Sosta under the Agreement, except with express permission of Sosta in writing.

6.3 Payment by bills of exchange and/or cheques will not be accepted.

6.4 In case Parties have agreed payment by way of an irrevocable documentary credit, the letter of credit should be issued or confirmed by a first class bank in accordance with the Uniform Customs and Practice for Documentary Credits, 2007 edition, ICC Publication No. 600.

6.5 In case of late payment, interest over the outstanding sum shall be payable at rate of the Dutch statutory commercial interest (7 percentage points above the interest rate of the ECB on main refinancing operations).

6.6 In any event, all sums due to Sosta shall become due and payable immediately if the agreed terms of payment are not satisfied or in case of any circumstances which may reduce the creditworthiness of the Customer come to light. Sosta shall in this case be entitled to request advance payment or provision of security before completing outstanding deliveries and services. If the advance payment is not made or security is not provided within two weeks after the request, Sosta shall be entitled, without setting a new deadline, to demand damages for non-performance and/or to withdraw from the Agreement.

6.7 In case of any counterclaims of the Customer, Sosta is entitled to set off these claims against any sums due to Sosta.

7. Time of delivery

- 7.1 Any agreed deadline for delivery shall not be considered a strict deadline. If the deadline for delivery is exceeded, the Customer will not be allowed to terminate the contract without further notice. Instead, the Customer will grant Sosta a reasonable grace period to complete delivery.
- 7.2 Delivery is considered to be timely if the goods have left Sostas plant or notification has been given that the goods are ready for dispatch, before the deadline for delivery.
- 7.3 An agreed delivery period shall commence on the date the order is confirmed, but not before all details of the order have been clarified and not before the necessary assistance has been rendered by the Customer.
- 7.4 In case the Customer does not promptly satisfy his obligations towards Sosta or makes changes to the order, any agreed deadline for delivery shall be extended by a reasonable period of time, taking into account the total planning of Sosta.
- 7.5 All deadlines for delivery are subject to correct and timely delivery by Sostas suppliers.
- 7.6 Force majeure, industrial disputes, unrest, official measures and other unforeseeable, unavoidable and serious events shall release the Parties from their obligations for the duration of the disruption to the extent that it affects these obligations. This shall also apply where these events occur at a time when the Party in question is in default, unless that Party has caused the delay by gross negligence or willful misconduct. The Parties must make every reasonable effort to provide each other with the necessary information immediately, generally within one week, and adjust their obligations to the changed circumstances in good faith. If the hindrance persists for longer than three months, either Party may withdraw from the Agreement with respect to the as yet unfulfilled portion.
- 7.7 Sosta shall be entitled to supply goods under one Agreement in partial deliveries, unless expressly agreed otherwise in writing.

8. Quality

- 8.1 The composition, quality and dimensions of the materials shall be determined according to the corresponding EN or ASTM standards or material data sheets, insofar as foreign standards have not been agreed in writing.
- 8.2 All details on goods sold by Sosta are approximate and only average values. They are not a guarantee of quality or condition. Sosta shall not be responsible for examining the suitability of the materials and their properties for an intended use, even if Sosta is notified of this intended use.
- 8.3 Deviations with regard to the nature and quality of the goods from the order confirmation which are customary for the industry shall not be deemed defects. The same shall apply to defects that reduce the value or usability of the goods only to a relatively insignificant extent.

9. Quantities

- 9.1 Deviations in dimensions and quantities customary for Sosta's branch of industry are permitted. Weight-related bills may be prepared according to the theoretical weight, as per approved standards and tables.
- 9.2 Excess quantities or shortfalls in quantities are permitted in case of special productions for each semi-finished product +/- 10 %, in the case of pipes at least one production length.

10. Delivery

- 10.1 Unless stated otherwise in the order confirmation, delivery shall be made Ex Works (Incoterms 2000) Sosta GmbH & Co KG, Windrose 1-2, 06420 Könnern, Germany.
- 10.2 In all cases where the Agreement provides for shipping arrangements to be made by the Customer (e.g. FOB delivery), Customer will provide Sosta with an opportunity for delivery within three weeks from the release date announced by Sosta. Failure by the Customer to do so will entitle Sosta to charge storage fees and – in case payment of (part of) the price is dependent on delivery – interest (at the rate specified in Clause 6.5).
- 10.3 Defected goods must be accepted by the Customer without prejudice to his rights.
- 10.4 Delivered goods may not be returned, unless the returns are expressly accepted by Sosta. In that case, the goods must be returned in their original packaging and in supply condition.
- 10.5 Goods which have been unpacked, damaged, cut, welded or otherwise modified may not be returned.
- 10.6 Goods which have been specifically produced according to the Customer's specifications or instructions may not be returned.

11. Transfer of risk

- 11.1 Where the goods are delivered on the premises of Sosta, the risk of damage to or loss of the goods shall pass to the Customer (transfer of risk) at the time of handover before the loading of the goods on the first means of transport or, where the Customer is in default of acceptance, at the time when the Customer is informed that the goods are ready for collection.
- 11.2 Where the goods are not delivered on the premises of Sosta, the risk of damage to or loss of the goods shall pass to the Customer (transfer of risk) at the time of handover or, where the Customer is in default of acceptance, at the time when Sosta offers to hand the goods over to the Customer.

12. Retention of title

- 12.1 All goods delivered to the Customer shall remain the property of Sosta until all goods delivered or to be delivered are paid for in full, to the extent that such retention of title is valid under Article 3:92-2 Dutch Civil Code.

- 12.2 In the event of breach of the Agreement by the Customer, Sosta will have the right to take back the goods delivered under retention of title. All costs of such repossession shall be for the Customer's account.
- 12.3 The Customer undertakes to store goods delivered under retention of title with due care at his own expense and to insure them against fire and water damage and theft at their replacement value.
- 12.4 The Customer may sell goods delivered under retention of title in the ordinary course of business. The Customer undertakes to retain title in the goods towards his customers until the goods are paid for in full.
- 12.5 The Customer is not entitled to grant security rights of any kind with respect to goods delivered under retention of title.

13. Notice of defects and warranty

- 13.1 The Customer shall inspect the goods upon delivery, even if samples or specimens have been sent in advance or if inspections by or on behalf of the Customer have taken place at the premises of Sosta before delivery.
- 13.2 The goods shall be deemed in conformity with the Agreement if no notice of defect in writing has been received by Sosta within seven days after delivery, or, if the defect was not discoverable by proper inspection, within seven days after it is discovered, but no later than two months after delivery. A notice of defect must contain a non-conformity report with a clear description of the defect and pictures of the rejected goods.
- 13.3 The Customer will grant Sosta an immediate opportunity to inspect the reportedly defective goods. At first request, Customer will send or otherwise make available to Sosta, or any third party instructed by Sosta, the goods or samples thereof for immediate inspection.
- 13.4 In the case of a justified complaint, Sosta may at its discretion either rectify the defect through repair or replacement delivery, or reimburse the Customer for the reduction in value or usability of the goods caused by the defect.
- 13.5 Any defects caused by faulty installation or commissioning or inappropriate or improper use by the Customer or third parties, or by normal wear and tear, or by incorrect handling by the customer or third parties shall not impose any obligations upon Sosta. The same shall apply to the effects of any changes to the goods or maintenance activities carried out in respect of the goods by the Customer or third parties without the consent of Sosta

14. Liability

- 14.1 In case the delivered goods are not in conformity with the Agreement, Sostas obligations towards the Customer are limited to those set out in Clause 13.4.
- 14.2 Sosta shall not be liable for damage or loss of any kind sustained by the Customer or any third party, unless that damage or loss is caused by gross negligence or willful misconduct on the part of Sosta.

- 14.3 Sosta shall in no event be liable for consequential loss, including loss of production or loss of profit.
- 14.4 Sosta is in any event exonerated from all liability, unless an action for redress is instituted within one year from the date of delivery of the goods or from the date on which the goods should have been delivered.
- 14.5 Damages for delay are only payable insofar as Parties have expressly agreed in writing upon a liquidated damages clause. A liquidated damages clause cannot be relied upon if Customer cannot prove having sustained actual damages to an amount reasonably approaching the amount claimed as liquidated damages or when the default in delivery has occurred as a result of circumstances beyond the control of Sosta. Circumstances beyond the control of Sosta include default of its suppliers and the breakdown of machinery.
- 14.6 A claim for liquidated damages is not transferrable and can under no circumstances be realized by third parties.
- 14.7 No liquidated damages are payable in case documents have to be approved by the Customer and the Customer fails to do so within the agreed timeframe, or within reasonable time.
- 14.8 All provisions of this clause shall apply equally for the benefit of employees, legal representatives and vicarious agents of Sosta.

15. Production according to the Customer's specifications

- 15.1 In the case of production of goods according to the Customer's drawings, samples or other instructions, Sosta shall not be responsible for the functionality of these goods or for other faults, unless these are not in any way related to those instructions. The Customer shall indemnify and hold Sosta harmless from any claims of third parties, including those based on product liability, related to these goods.
- 15.2 The Customer warrants that no third-party rights are infringed by the production and sale of these goods. The Customer shall indemnify and hold Sosta harmless against all losses and damages arising from the assertion of such third-party rights, irrespective of whether these assertions are valid or not.

16. Applicable law and jurisdiction

- 16.1 The Agreement and these General Sale Conditions shall be governed by the law of the Netherlands. Application of the UN Convention on the International Sale of Goods (CISG) is excluded.
- 16.2 All disputes arising out of or in connection with the Agreement shall be submitted to the exclusive jurisdiction of the competent court of Rotterdam, the Netherlands.

17. Partial ineffectiveness

In the event that any parts of these provisions should prove invalid as a result of statutory regulations, the invalid parts of the provisions so affected shall automatically be replaced by an admissible provision which best represents the object of the invalid provision.