

General Delivery Conditions
of the Company Torque Marine IPS GmbH + Co. KG

(as of 4th October 2010)

1. General

With the acceptance of the order, the contractor acknowledges the following delivery conditions. General terms and conditions conflicting with, deviating from, or amending our terms of delivery will not become part of this agreement, even if in their knowledge these general terms and conditions are not expressly rejected as part of an order and/or delivery is completed without proviso. General Terms and Conditions of the contractor will apply only where expressly acknowledged by us in writing.

These terms of delivery shall also apply to all future purchase orders until new terms of delivery become valid.

2. Conclusion of contract

Only those orders issued in writing and acknowledged by us in writing shall be deemed binding. Amendments, collateral agreements or supplements shall be subject to the written confirmation by our purchase department, which is responsible for the correspondence, detailing our order data in full. The forwarding by email or fax shall be equal to the written form.

If the acceptance of order has not been received by us within ten working days after the order date we are entitled to revoke the order without any claims of the contractor.

3. Delivery and Shipping

The delivery dates stated in the order shall be binding. All goods have to be delivered, and services to be rendered, on the agreed date at the agreed destination.

The contractor can only rely on the absence of necessary documents to be supplied by us if he reminded us in writing that the documents be sent and if he did not receive them within an acceptable period of time.

Shipping is carried out at the contractor's risk. The risk for any degradation, including coincidental ruining, remains with the contractor until the delivery of the purchased object and/or the acceptance of the order at our address or the usage location.

In the case that the delivery time or delivery date is exceeded for reasons for which the Contractor is responsible, we are entitled to charge a contractual penalty for each started working day of delay of 0.3 % of the total order value, up to a maximum of 10% of the total order value. The contractor shall have the right to prove that no damages, or minor damages, have arisen as a result of delay. We are entitled to claim a contractual penalty besides fulfillment of the contract. Further claims and rights are reserved.

The contractual penalty can also be claimed at any time up to final settlement if the corresponding full disclaimer is not given at the acceptance of goods, services or the supplementary performance.

Force majeure, industrial conflicts, riots and other unforeseeable, inevitable and major events on side of the contractor must be reported to us immediately. In the case that such unforeseeable hindrances occur on our side or on our customer's side, and in the case that these disturb our businesses, we are not obliged to accept any goods or service and we are not liable for any damages as long as these hindrances and business disturbances continue.

Partial deliveries require our written consent.

4. Packaging and Additional Expenses

We are entitled to refuse acceptance of the goods if the packaging- and shipping regulations and the legal obligations regarding the packaging are not observed and fulfilled.

If not agreed otherwise explicitly, all additional costs such as shipping, packaging, insurance, taxes, fees etc, shall be borne by the contractor.

Every consignment must be accompanied by a delivery note with details on the delivered goods and the ordering data.

5. Invoices

Invoices must include our ordering numbers and the number of each item.

6. Payment

Payment shall be effected upon complete receipt of goods and upon receipt of the invoice, within 10 days with 3% cash discount, within 30 days with 2 % cash discount or net within 45 days. All payments are subject to the contact being checked and calculated and subject to our rights arising from incorrect delivery, even if this is not explicitly stated with our payment. If complaints are already known at the time that payments are due, we are entitled to withhold due payments.

In case of faulty or incomplete delivery, we shall be entitled to withhold payment prorated by value until due performance, namely without loss of discounts, trade discounts or similar payment privileges.

We are entitled to offset any of the claims against our own claims.

7. Assignment of Claim

Assignment of claim of the contractor outside the scope of § 354 HGB are excluded, unless otherwise agreed in writing.

8. Warranty

The contractor is obliged to deliver the goods free of third parties' rights. By accepting the order, he shall hold us harmless of any claims on first demand. This includes, in particular, legal costs and compensations.

By accepting the goods, complaints concerning the quality or quantity which are determined later on are not excluded. We are obligated to examine the goods within a reasonable time period to determine any deviations in quality and quantity; the complaint shall be deemed timely if and when it has been received by the contractor within a period of 10 business days as of receipt of the goods.

The warranty period is 24 months, beginning with the transfer of risk.

In case of delivery of defective goods prior to or upon transfer of risk or in case of defects occurring during the warranty period, the contractor shall at its own expense and at the buyer's choice either eliminate the defect or deliver new faultless goods. We will, in our reasonable discretion, choose how to cure the defects.

If the supplementary performance is not accomplished in due time, we shall be entitled to

withdraw from the contract in part or in full without indemnity,

to demand a price reduction

or we undertake, or ask third parties to undertake, such rectification or replacement at the expense of the contractor

and to demand compensation.

§ 281 Abs. 2 and § 323 Abs. 2 BGB remain unaffected.

Further claims or claims other than the claims stipulated here remain unaffected.

If the contractor makes a new delivery within the scope of the subsequent performance or if he repairs any of the goods, the warranty period shall begin anew.

Furthermore, the purchaser must also bear costs and risks of the return consignment.

If a partial or 100% inspection of the incoming goods due to incorrect deliveries is deemed necessary, the contractor bears the costs incurred.

9. Cross-Promotion and adverts

Advertising or cross-promotion with our company or brand name, especially in the references, requires our approval.

10. Liability

The contractor shall also be liable for ordinary negligence. This also applies to contractual secondary obligations, harms caused by a defect and negligence in contracting.

11. Place of Performance

The place of performance for all deliveries and services is the agreed place of destination. The place of performance for payments shall be Hamburg, Germany.

12. Place of Jurisdiction, Applicable Law, Severability Clause

Place of jurisdiction for all demands arising in connection with the business relationship is Hamburg, Germany. However, we are also entitled to bring actions against the contractor in the court where it has his registered office or domicile.

All contracts shall be subject to the laws of the Federal Republic of Germany to the exclusion of the UN Sales Convention (CISG).

If any provision in these conditions of purchase or within the scope of other agreements should be or should become invalid, the validity of all other provisions or agreements is not affected thereby.