

I. General Provisions, Area of Application

- (1) The present General Terms and Conditions of Sale (AVB) shall apply to all our business relations with our customers (hereinafter referred to as: the “Buyer”). The General Terms and Conditions of Sale shall only apply if the Buyer is an entrepreneur (§ 14 German Civil Code), a legal entity under public law or a special fund under public law.
- (2) The General Terms and Conditions of Sale shall apply, in particular, to contracts concerning the sale and/or delivery of movable items (hereinafter also referred to as: the “Goods”), regardless of whether we manufacture the goods ourselves or purchase them from suppliers (§§ 433, 651 German Civil Code). The current version of the General Terms and Conditions of Sale shall also apply as a master agreement for future agreements concerning the sale and/or delivery of movable items with the same Buyer, without us having to refer to them again in every individual case.
- (3) Our General Terms and Conditions of Sale shall apply exclusively. Any General Terms and Conditions of Business of the Buyer which deviate from these, oppose these or supplement these shall only become part of the contract if and insofar as we have expressly agreed to their validity in writing. This requirement for an agreement shall even apply if we effect a delivery to the Buyer without reservation, aware of the Buyer’s General Terms and Conditions of Business.
- (4) Individual agreements made with the Buyer on an individual basis (including subsidiary agreements, additions and alterations) have precedence over these Terms and Conditions of Sale in any case. A written contract or a written confirmation from us shall be decisive for the content of such agreements.
- (5) Our quotations are non-binding and subject to alteration. This shall also apply if we have handed over to the Buyer catalogues, technical documentation (e.g. drawings, plans, calculations, costings, references to DIN standards), other product descriptions or documents – even in electronic format – to which we have property rights and copyrights.
- (6) When the Buyer orders Goods this shall constitute a binding offer of a contract. Provided that the order does not specify otherwise, we are entitled to accept this offer of a contract within 14 days of receiving it.
- (7) We may accept the offer of a contract either in writing (e.g. through an order confirmation) or by delivering the Goods to the Buyer.

II. Prices and Conditions of Payment

- (1) Provided that nothing is agreed to the contrary in the individual case, our current prices at the time at which the contract is concluded shall apply. These prices shall be ex warehouse plus the statutory VAT.
- (2) Should taxes or other external costs which are included in the agreed price change later than 4 weeks after the conclusion of the contract, or if new ones materialise, we shall be entitled to alter the price to a corresponding extent.
- (3) We reserve the right to increase the agreed price for quantities that have not yet been delivered if circumstances occur, as a result of an alteration in the economic climate or the situation of the raw materials, which make the production and/or purchase of

the product concerned considerably more expensive than at the time at which the prices were agreed. In such a case, the order in question may be cancelled after the Buyer has been informed of the increase in the price.

III. Conditions of Payment

- (1) The purchase price shall be due and must be paid within 14 days of the invoice being issued and the delivery or inspection of the Goods. In the case of contracts with a delivery value of more than € 1,000, we are, however, entitled to demand a down payment of 20% of the purchase price. The down payment shall be due and must be paid within 14 days of the invoice being issued.
- (2) When the aforementioned payment deadline expires, the Buyer shall be in default of payment. Interest shall be charged on the purchase price for the duration of the delay at the relevant statutory default interest rate. We reserve the right to claim further damage caused by delay. Our claim to commercial maturity interest from business people (§ 353 German Commercial Code) shall remain unaffected.
- (3) The Buyer shall only be entitled to offset rights and rights of retention to the extent that his claim has been established by force of law or is undisputed.
- (4) Should it become clear after the conclusion of the contract that our entitlement to the purchase price is at risk due to the Buyer's inability to pay (e.g. due to an application for the opening of insolvency proceedings), we are entitled to withdraw from the contract in accordance with the statutory provisions for withholding performance – and, if applicable, after a grace period has been granted (§ 321 German Civil Code). In the case of contracts concerning the production of an unjustifiable item (individual productions), we are entitled to declare our withdrawal immediately; the statutory provisions concerning the dispensability of the grace period remain unaffected.

IV. Delivery Period and Delayed Delivery

- (1) The delivery period shall be agreed on an individual basis and/or specified by us upon acceptance of the order.
- (2) If we are unable to adhere to binding delivery periods for reasons for which we are not responsible (non-availability of the service), we shall inform the Buyer of this immediately and notify him of the provisional new delivery period at the same time. If the service is not available within the new delivery period either, we are entitled to withdraw from the contract completely or in part; we shall reimburse any payment that has already been made by the Buyer. If Goods are not delivered to ourselves by our suppliers in good time, this shall constitute a non-availability of the service in this sense, provided that we have concluded a congruent hedging transaction. Our statutory rights of withdrawal and termination and the statutory provisions concerning the execution of the contract in the case of an exclusion of the obligation to perform (e. g. performance and/or supplementary performance is impossible or unreasonable) shall remain unaffected. The Buyer's rights of withdrawal and termination shall also remain unaffected in the case of compensation for damages.
- (3) The start of our delivery delay shall be regulated in accordance with the statutory provisions. A reminder from the Buyer is necessary in each case. Should we fall into default with delivery, the Buyer may demand lump sum compensation for his damage caused by delay. The lump sum compensation shall amount to 0.5 % of the net price (delivery value) for each full week of the delay, but with a maximum total of 5% of the

delivery value of the Goods which are delivered late. We reserve the right to provide evidence that the Buyer has suffered no damages or considerably smaller damages than the aforementioned lump sum.

V. Implementation of Delivery, Delivery Periods, Dates

- (1) The delivery shall take place ex warehouse, where the place of performance is. The Goods shall be shipped to another destination on the request and at the expense of the Buyer (mailing purchase). Unless agreed otherwise, we are entitled to determine the kind of shipment, in particular the carrier, method of shipment, packaging, ourselves.

Details of delivery periods are approximate. Delivery periods shall begin with the date of our order confirmation and shall only apply under the condition of all the details of the order being clarified in good time and all the obligations of the Buyer being satisfied in good time, such as, for example, submission of all the official certificates, the provision of letters of credit and guarantees, or the performance of any down payments.

- (2) The risk of accidental loss or deterioration of the Goods shall be transferred to the Buyer when the goods are handed over at the latest. In the case of a mailing purchase, however, the risk of accidental loss and accidental deterioration of the goods and the risk of delay are transferred to the forwarding agent, the carrier or any other person or establishment designated to execute the shipment when the Goods are handed over to them. If an inspection is agreed upon, this shall be decisive for the transfer of risk. In other respects too, the statutory provisions of the work contract shall apply for an agreed inspection, according to the law. If the seller is in default of acceptance, a handover/inspection shall be considered to have taken place.
- (3) Events of force majeure shall entitle us to postpone the delivery by the duration of the hindrance and an appropriate starting up time. This shall also apply if such events occur during an existing delay. The following shall equate to force majeure: monetary measures, commercial measures and other administrative action, strikes, lockouts, operational disturbances for which we are not responsible (e.g. fire, machine failure, breakage of rollers, shortage of raw materials and energy), obstruction of traffic routes, obstruction when importing goods/clearing customs and all other circumstances for which we are not responsible which make delivery significantly more difficult or impossible. It is irrelevant whether these circumstances occurred on our premises, at our supplier's or at a pre-supplier's. If the execution of the contract becomes unreasonable for one of the parties of the contract as a result of the aforementioned events, in particular if the execution of a large part of the contract is delayed by more than 6 months, this party may cancel the contract.
- (4) The Goods shall be delivered without packaging and without protection against rust. If it is standard, we shall deliver them in packaging. We shall provide packaging, protection and/or transport aids at the Buyer's expense based on our experience. They shall be taken back at our warehouse. We shall not assume the Buyer's costs for the return transport or for the disposal of the packaging.
- (5) We are entitled to make part deliveries to a reasonable extent, industry-standard excess deliveries or reduced deliveries of the agreed quantity are permissible.

VI. Reservation of Title

- (1) Until the payment in full of all our present and future claims arising from the Sales Contract and a current business relationship (secured claims), we reserve the title to the sold Goods.
- (2) The Goods subject to reservation of title may neither be pledged to third parties nor assigned as a security before the secured claims have been paid in full. The Buyer must inform us immediately in writing if and to what extent third parties have access to the Goods which belong to us.
- (3) If the Buyer breaches the contract, in particular by non-payment of the purchase price that is due, we are entitled, in accordance with the statutory provisions, to withdraw from the contract and reclaim the Goods on the grounds of the reservation of title and the withdrawal. If the Buyer fails to pay the purchase price that is due, we may only claim these rights if we have previously granted the Buyer an appropriate grace period for payment without success or if such a grace period can be dispensed with according to the statutory provisions.
- (4) The Buyer is authorised to resell the Goods subject to reservation of title in the ordinary course of business and/or to process them. In this case, the following provisions shall also apply.
 - (a) The reservation of title shall extend to the products which emerge through the processing, mixing, or combining of our Goods to their full value, whereby we shall be regarded as the manufacturer. Should an ownership right of third parties continue to exist in the case of processing, mixing or combining our Goods with the goods of third parties, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. In other respects, the same shall apply for the product that has been created as for the Goods delivered subject to reservation of title.
 - (b) The Buyer shall now assign to us all claims against third parties which emerge as a result of the resale of the Goods or the product in full or to the amount of any co-ownership share according to the previous paragraph, as a security. We shall accept the assignment. The obligations of the Buyer referred to in Section 2 shall also apply in consideration of the assigned claims.
 - (c) In addition to ourselves, the Buyer shall remain entitled to collect claims. We undertake not to collect claims as long as the Buyer meets his payment obligations to us, does not fall into default with the payment of these, no application to open insolvency proceedings is made and there is no evidence that he is unable to pay. If this is the case, however, we are entitled to demand that the Buyer informs us of the assigned claims and the respective debtors, provides us with all the necessary information for collection, hands over the related documents, and informs the debtors (third parties) of the assignment.
 - (d) If the realisable value of the securities exceeds our claims by more than 10 %, we shall release securities of our choice on the Buyer's request.

VII. Qualities, Dimensions and Weights

- (1) Qualities and dimensions are regulated in accordance with the DIN/EN standards and material sheets applicable when the contract was concluded, or, in the absence of such standards, according to commercial custom. References to standards, company standards, material sheets or test certificates, as well as details on qualities, dimensions, weights and usability do not constitute assurances or guar-

antees. Neither do declarations of conformity, manufacturer declarations and corresponding labels, such as CE and GS.

- (2) The weighing performed by us or our pre-suppliers shall be decisive for the weights. Proof of the weight shall be provided by the presentation of the weight note. Insofar as it is legally permissible, weights may be determined according to standards without weighing. The standard surcharges and discounts in the steel trade of the Federal Republic of Germany shall remain unaffected (commercial weights). Quantities, bundles or similar stated on the shipping note are not binding for Goods calculated according to their weight. Unless an individual weighing usually takes place, the total weight of the consignment shall apply. Differences to the calculated individual weights shall be distributed proportionately to these.

VIII. Inspections

- (1) If an inspection is agreed upon, it may only take place at the supplier's or in our warehouse immediately after the notification of readiness for inspection. The personal costs of the inspection shall be borne by the Buyer. The actual inspection costs shall be charged to him in accordance with our price list or the price list of the supplier.
- (2) If the inspection does not take place through no fault of ours, does not take place in good time, or takes place only incompletely, we are entitled to dispatch the goods without an inspection or to store them at the expense and the risk of the Buyer and to charge this to him.

IV. Call Orders

- (1) In the case of call orders, Goods that are reported as ready for dispatch must be released immediately. Otherwise, we are entitled, after a warning at the expense and risk of the Buyer, to dispatch them or to store them at our own discretion and to invoice the Buyer immediately.
- (2) For contracts requiring a regular delivery, the Buyer shall divide the requests and grades of the goods into approximately equal monthly shipments; otherwise, we are entitled to set the terms ourselves at our own discretion.
- (3) Should individual requests for delivery exceed the total contractual quantity, we are entitled, but not obliged, to deliver the excess. We may also charge for the excess at the prices valid at the time of the request or the delivery.

X. Liability for Defects of Quality

- (1) The statutory provisions shall apply to the rights of the Buyer in the case of defects of quality and title (including incorrect and reduced delivery and incorrect assembly or inadequate assembly instructions), unless otherwise specified below. In all cases, the statutory special regulations apply for the final delivery of the Goods to a consumer (suppliers' recourse acc. §§ 478, 479 German Civil Code).
- (2) The basis for our liability for defects is, in particular, the agreement made concerning the properties of the Goods. The product descriptions identified as such (including those of the manufacturer) which were relinquished to the Buyer before he

placed his order or were incorporated into the contract in the same way as these General Terms and Conditions of Sale shall be regarded as an agreement concerning the properties of the Goods.

- (3) If the properties have not been agreed, it is necessary to assess whether there is a defect or not, in accordance with the legislation (§ 434 Section 1 No. 2 und 3 German Civil Code). However, we assume no liability for the public statements of the manufacturer or other third parties (e.g. advertising messages).
- (4) The Buyer's claims for defects are based on the assumption that he has satisfied his statutory duties of inspection and notification of defects (§§ 377, 381 German Commercial Code). If a defect is revealed during the inspection or later, we must be informed of this immediately in writing. Notification shall be regarded as immediate if it takes place within two weeks, whereby sending off the notification in good time shall be sufficient for the observance of the deadline. Regardless of this duty of inspection or notification of defects, the Buyer must report obvious defects (including incorrect and reduced delivery) within two weeks of the delivery, whereby sending off the notification in good time shall be sufficient for the observance of the deadline. Should the Buyer neglect to inspect the Goods properly and/or to report defects, our liability for the defects that have not been reported is excluded.
- (5) If the delivered item is defective, the Buyer may initially demand a removal of the defect (repair) or the delivery of an item free of defects (replacement delivery) as a supplementary performance at his own discretion. Should the Buyer fail to declare which of the two rights he selects, we are entitled to set him an appropriate grace period for this. If the Buyer does not make the selection within the grace period, the right of selection shall be transferred to us upon the expiry of this period.
- (6) We are entitled to make the supplementary performance owed dependent upon the Buyer paying the purchase price that is due. The Buyer is, however, entitled to retain an appropriate part of the purchase price in proportion to the defect.
- (7) The Buyer must give us the necessary time and opportunity for the supplementary fulfilment, in particular to hand over the Goods that have been complained about for testing purposes. In the case of a replacement delivery, the Buyer must return the defective item to us in accordance with the statutory regulations.
- (8) We shall bear the necessary expenditure for the inspection and subsequent fulfilment, in particular transport, travel, work and material costs, if there is actually a defect. If a demand for the removal of a defect on the part of the Buyer turns out to be unjustified, we are entitled to demand the costs incurred from this from the Buyer as compensation.
- (9) In urgent cases, e. g. when operating safety is put at risk or to prevent unreasonably high losses, the Buyer has the right to remove the defect himself and to demand compensation from us for the expenditure that is objectively necessary for this. We must be notified immediately, in advance if possible, of such action carried out by the Buyer himself. The right to take measures himself does not exist if we would be entitled to refuse an appropriate supplementary performance in accordance with the statutory provisions.
- (10) If the supplementary performance has failed or an appropriate grace period for the supplementary performance to be set by the Buyer has expired or is dispensable

according to the statutory regulations, the Buyer may withdraw from the sales contract or reduce the purchase price. In the case of an insignificant defect the right of withdrawal, however, does not exist.

- (11) The Buyer's claims to compensation for damages or reimbursement of futile expenditure shall only exist in accordance with XI. and are excluded in other respects.

XI. Other Liability

- (1) Unless otherwise specified in these General Terms and Conditions of Sale, including the following provisions, we are liable in the case of a violation of contractual and non-contractual obligations, in accordance with the relevant statutory provisions.
- (2) We are liable for compensation for damages – irrespective of their legal basis – in the case of wilful intent and gross negligence. In the case of simple negligence, we are only liable
 - (a) for damages arising from injury to life, body or health.
 - (b) for damages arising from the violation of an essential contractual obligation (an obligation, the fulfilment of which makes the proper implementation of the contract possible in the first place and on the adherence to which the contractual parties regularly rely and may rely); in this case, however, our liability is restricted to compensation for foreseeable, typically occurring damages.
- (3) The limitations of liability arising from Section 2 shall not apply insofar as we have fraudulently kept a defect secret or assumed a guarantee for the properties of the Goods. The same shall apply to the claims asserted by the Buyer in accordance with the German Product Liability Act.
- (4) Owing to a violation of obligations, which does not consist in a defect, the Buyer may only withdraw from the contract or terminate it if we are responsible for the violation of obligations. An unrestricted right of termination on the part of the Buyer (in particular §§ 651, 649 German Civil Code) is excluded. The statutory requirements and legal consequences apply in other respects.

XII. Statute of Limitations

- (1) In deviation from § 438 Section 1 No. 3 German Civil Code, claims arising from defects of quality and title are subject to a general limitation period of one year from delivery. If an inspection has been agreed upon, the limitation period shall begin with the inspection.
- (2) The aforementioned limitation periods of sales law shall also apply for contractual and non-contractual claims for compensation on the part of the Buyer which are based on a defect in the Goods, unless the application of the regular statutory period of limitation (§§ 195, 199 German Civil Code) would lead to a shorter limitation period in an individual case. The limitation periods of the German Product Liability Act shall remain unaffected. Otherwise, the statutory periods of limitation shall apply for claims for compensation on the part of the Buyer in accordance with XI, excluding the statutory limitation periods.

XIII. Choice of Law and Place of Jurisdiction

- (1) The law of the Federal Republic of Germany shall apply to these General Terms and Conditions of Sale and all legal relations between us and the Buyer to the exclusion of all international and supranational (contractual) legal systems, in particular the UN Convention on Contracts for the International Sale of Goods. The requirements and effects of the reservation of title according to VI, on the other hand, are subject to the law in the relevant location, to the extent that according to this, the law chosen in favour of German law is impermissible or ineffective.
- (2) If the Buyer is a merchant in terms of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive, even international, place of jurisdiction for all disputes arising indirectly or directly from the contractual relationship shall be our place of business in Gersfeld. We are, however, also entitled to bring legal action at the general place of jurisdiction of the Buyer.

XVI. Miscellaneous Provisions

- (1) Should a Buyer who is based outside the Federal Republic of Germany (foreign worker) or his representative collect Goods or transport or ship them abroad, the Buyer must submit the export certificate necessary for tax to us. If this certificate is not provided, the Buyer must pay the VAT applicable within the Federal Republic of Germany on the invoice amount for the delivery.
- (2) In the case of deliveries from the Federal Republic of Germany to other member states of the EU, the buyer must inform us before delivery of his VAT ID number under which he pays turnover tax within the EU. Otherwise, he must also pay the statutory amount of VAT owed by us in addition to the agreed purchase price for our deliveries.
- (3) When deliveries from the Federal Republic of Germany to other member states of the EU are invoiced, the VAT legislation of the relevant recipient state applies if the Buyer is either registered for VAT in another EU member state or if we are registered for VAT in the recipient state.
- (4) The competent consumer arbitration board is:

Allgemeine Verbraucherschlichtungsstelle des Zentrums für Schlichtung e.V.
Straßburger Straße 8
77694 Kehl am Rhein
www.verbraucher-schlichter.de

We do not participate in dispute settlement proceedings before a consumer arbitration board.