

# General Terms and Conditions of Purchase

As of December 2008

## I. General:

- All our orders commissioned to any company shall be exclusively based on the following terms and conditions. These are understood to also apply to future orders in the scope of any currently existing commercial relationship even without explicit reference to these terms and conditions. We do not accept and hereby reject any General Terms and Conditions of the Vendor. These conditions shall also apply if we accept or pay for the goods supplied without any reservation despite being aware of the Vendor having differing terms and conditions. We shall only be bound to and abide by General Terms and Conditions of the Vendor after having accepted them expressly in writing.
- Claims against us shall only be assigned to third parties with our written approval.

## II. Order placement and execution:

- If our order is not rejected within two weeks after the date of the order placement, the order shall be deemed accepted, provided that the order is placed in the framework of an already existing contractual relationship and that we explicitly notify the Vendor of this procedure in each order subject to it.
- If our order does not include any prices, the order shall be deemed non-binding. However, it shall be considered placed if we do not object to the order confirmation within two weeks after receipt of the latter.
- Unless expressly agreed otherwise, the Vendor shall bear all packaging costs.
- Certificates included in the order, especially production certificates, are an integral part of the delivery and shall be free of charge. Any such certificates shall be supplied at the latest directly after the delivery.
- Our order number shall be specified on all documents, in particular on delivery notes and invoices.
- We shall be entitled to require changes to the delivery even after conclusion of the contract, if reasonable to the Vendor, provided that any arising costs are reimbursed adequately to the Vendor.

## III. Delivery:

- According to our instructions, goods shall be delivered to the following delivery addresses:
  - von Schaewen AG, Administration, Kronprinzenstraße 14, 45128 Essen, Mon-Thu 8am - 4pm, Fri 8am - noon,
  - ameca von Schaewen GmbH Strickerstraße 31, 45329 Essen-Vogelheim, Mon-Thu 7am - 5pm, Fri 7am - 2.30pm,
  - SSK von Schaewen Hückeswagen GmbH Stahlschmidtsbrücke 20, 42499 Hückeswagen, Mon-Thu 7am - 5pm, Fri 7am - 2.30pm,
  - SSK von Schaewen Wetter GmbH Ruhrstraße 21, 58300 Wetter Mon-Thu 7am - 5pm, Fri 7am - 2.30pm
- Agreed delivery times shall be binding. If it is foreseen that it will not be possible to comply with the agreed delivery time, the Vendor shall immediately inform us, indicating the reasons for and the approximate duration of the delay. Any claims made on our part due to the delivery delay shall remain unaffected thereby.
- Delivery notes shall be submitted in triplicate on the day of delivery.
- The transfer of title shall always be effected without reservation upon delivery of the goods. If the parties have agreed a vendor's lien, this lien shall be deemed to have the status of a simple retention of title. Irrespective of the vendor's lien, we shall be entitled to use, process and/or sell the goods or transfer the ownership of the goods to a third party at any time and without limitation.

## IV. Quality assurance:

- The Vendor shall be responsible for checking all drawings, calculations, specifications and other data supplied by us for possible errors or contradictions on the basis of their general and specialist knowledge and skills. If necessary, the Vendor shall report immediately any doubts relating to our documentation, including doubts concerning the qualification for use, in order to jointly discuss and resolve the subject in question.
- The Vendor shall be obliged to maintain a quality assurance system that complies with the state-of-the-art in the relevant supply industry. The Vendor shall be responsible for implementing the quality assurance measures and preparing the required documentation. The Vendor shall provide this documentation to us upon request. The Vendor shall be responsible for keeping the documentation in accordance with any applicable legislation and regulations, and in any case for at least 10 years.
- The Vendor shall inspect the goods carefully prior to the delivery (outgoing goods inspection). Goods that do not fulfil the requirements of the outgoing goods inspection shall not be delivered. Upon delivery, we shall only inspect the goods for type (identification testing) and quantity as well as possible damage in transit and other apparent defects. The Vendor shall be responsible for any other inspection and to this extent waives the right to object based on violation of the obligation to inspect.

## V. Invoice and payment:

- Invoices shall always be sent in duplicate to our Administration department, Postfach (POB) 10 35 62, 45035 Essen, Germany.
- The quantities, dimensions, weights, types and analyses determined by our personnel upon delivery shall be decisive for the invoicing of the goods.
- Payments shall be made on the 15th of the month following the regular receipt of the invoice. However, the term of payment shall always at least be 30 days. The term shall begin with the regular receipt of the invoice, however not prior to the complete performance delivery, including the transferral of certificates supplied under the contract, in particular production certificates. In the event of part deliveries that have not been agreed in advance, the day of receipt of the invoice for the last part delivery shall be taken as the beginning of the term of payment for the overall delivery.

- Payments made within 14 days after receipt of the invoice shall be granted a discount of 3%.
- The right to claim maturity interests shall be waived. Interests on arrears shall amount to 5 percentage points above the prime rate.
- Payments made by us shall not be deemed acceptance of the invoicing or confirmation that the delivery was without defects or in compliance with the date of delivery.

## VI. Warranty:

- Goods and services shall be delivered free from material defects and defects of title. In particular they shall abide by the regulations of science and technology, comply with all legal requirements in terms of environmental protection and work safety and be in accordance with the agreed characteristics and applicable standards.
- In the event of defects, we shall be entitled to make legal claims. We reserve the right to require subsequent fulfilment, at our discretion, either by rectification or by replacement. In the event that subsequent fulfilment fails or if the granting of a term of grace for the subsequent fulfilment can be waived in accordance with the legal stipulations, we reserve the right to reduce the price or withdraw from the contract and to claim damages or reimbursement for wasted expenditure.
- The period to claim defects shall be limited to two years after delivery of the goods, insofar as the parties do not agree otherwise and provided that this complies with the minimum statutory period of limitation. Goods that have been newly delivered or replaced due to remediation of defects shall thus be subject to a new period of limitation of two years, unless the Vendor reserves the right to remedy defects as a gesture of goodwill in the case of minor defects. If the remaining period of limitation initially agreed is longer than two years, this period shall apply.
- A notice of defect issued by us within the period of limitation shall suspend the period of limitation until we have reached an agreement on the remediation of the defect and any consequences with the Vendor; however, this suspension shall terminate six months after the final rejection of the notice of defect by the Vendor.

## VII. Additional provisions for refinishing works:

- In the case of refinishing works (e.g. dressing of slabs or sheets, annealing or tempering etc.), the refinisher shall warrant that the material is at our disposal at all times and shall be liable for the proper storage of the material and the processing of the material in compliance with our order specifications or the standard practise. If the material should be lost or processed incorrectly, the refinisher shall be liable to the full extent, including any follow-up costs.
- Materials provided by us shall remain our property and shall only be used for the intended purposes and for our orders. The Vendor shall process or reform this material on our behalf. If the materials provided by us are processed with or combined with other items that are not our property, we shall acquire co-ownership rights in the new product according to the ratio of the material provided by us (purchase price plus value added tax) to the other items processed at the time of processing or combining them.
- Tools, drawings, samples etc. provided by us to the Vendor shall remain our property. The Vendor shall be responsible for labelling them accordingly and storing them separately. They shall only be used for the intended purposes and for our orders. If these or parts of them are passed on to a third party, the third party shall be informed in writing of our ownership rights. All tools, drawings samples etc. shall be returned to us without delay upon termination of the delivery relationship or the contract. There shall be no rights of retention in this respect. The risk of loss, destruction or damage of tools and other means of production shall be borne by the Vendor.

## VIII. Place of fulfilment, place of jurisdiction and applicable legislation:

- The place of fulfilment for both parties shall be Essen in the Federal Republic of Germany.
- Both parties agree on Essen in the Federal Republic of Germany as the place of jurisdiction for any legal disputes that may arise from or relating to the order. This venue shall be exclusive for any claims issued against us. The place of jurisdiction agreed upon shall also apply for claims relating to bills of exchange, cheques and documents.
- The application of legal provisions of other countries shall be excluded. The only applicable laws shall be the laws of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (UN Sales Law/CISG).