

I. General:

- Our supplies and services are, in a business-to-business relation, exclusively subject to the conditions set out hereafter. This shall also apply if in the case of an ongoing business relationship no reference is explicitly made for any future transactions. Our terms and conditions shall be considered as being effective upon acceptance of our goods at the latest.
- We do not accept and herewith oppose the customer's general terms and conditions. Our terms and conditions shall also apply if we deliver our goods without reservation or accept payments without reservation being aware of the customer's deviating general terms and conditions. The customer's general terms and conditions shall only take a binding effect if and to such an extent as they have expressly been approved in writing.
- Our quotations shall be understood without engagement.
- We shall be entitled to offset any of the customer's claims against ourselves that may be due to him for any legal reason whatsoever, against all liabilities arising from the business relations.
- Any claim against ourselves shall be transferable subject to our approval only.

II. Prices:

- Our prices shall be understood net, excluding value-added tax.
- The cost of transport and packaging shall be invoiced separately, unless otherwise specified.
- All prices stipulated carriage paid shall be applicable subject to open and unobstructed rail, road and shipping traffic on the respective railway, road and water routes.
- For weight-based prices, the weights determined by our loading staff shall be applicable for the calculation of deliveries. Stating the number of units shall not be binding. The calculation shall, independent of the type of transport means, be based on the total weight of the goods delivered. Any difference with respect to the computed individual weights shall be pro-rated on these.
- If after the time of the conclusion of contract with the customer the prices for metals and semifinished products increase by more than 5% according to the consecutive number 273, GP no. 27 of the Index of Producer Prices for Industrial Products (Domestic Sales) according to the Product Classification for Production Statistics by the German Federal Statistical Office [Index der Erzeugerpreise gewerblicher Produkte (Inlandsabsatz) nach dem Güterverzeichnis für Produktionsstatistiken des Statistischen Bundesamtes] on the basis 2000=100 and if we have to assume at our reasonable discretion, that this increase will persist at the time of the delivery of our goods, we are entitled to unilaterally increase the price of our goods made of steel up to a maximum of 10% in the sense of § 315 BGB (German Civil Code). Taking into account considerations of equity, the criterion for our price increase shall be the percentage of the respective price increase according to the named index. This shall only apply if the period between the conclusion of contract and the agreed day of delivery extends to at least 3 months. In case we increase the price of our goods made of steel in this respect, the customer may terminate the contract within 2 weeks upon receipt of our notice of the price increase. § 313 BGB (German Civil Code) remains unaffected.

III. Delivery and Transfer of Risk:

- Delivery times shall start on the date of our order confirmation, and not before all details contained in the order have been clarified.
- Partial deliveries shall be permitted and cannot be refused by the customer, unless the customer has no interest in the partial delivery.
- Unless otherwise agreed, the goods shall be delivered unpacked and unprotected against corrosion. Unloading of the goods shall be the customer's responsibility and at his expense.
- Our delivery times shall be dependent on our suppliers' shipping potential. If it is foreseeable that the delivery time cannot be met, the customer shall be notified accordingly without delay. No delay shall be considered to occur as long as the customer, on his side, fails to fulfil an obligation arising from the respective or another order resulting from our business relations with him. In the case of delayed delivery we shall not be liable for loss of profit, loss due to business interruption and indirect damages. Moreover, the compensation for damages of the customer shall be limited to 0.5 % for every full week of delay up to a maximum of 5 % of the order value affected by the delayed delivery. This limitation shall not apply if we act with intent or gross negligence or in case of any other mandatory liability in accordance with clause VII.3. The above rule does not constitute a reversal of the burden of proof.
- If collection of the goods by the customer has been agreed, the date of the order completion report shall be authoritative with respect to compliance with delivery times. Any goods reported as being completed shall be collected immediately. If not, we shall be entitled to store the goods at the customer's risk and expense and invoice these as delivered ex works.
- For all shipments, the risk of damage to or loss of the goods, including the risk of confiscation, shall pass onto the customer at the time of delivery to the forwarding agent or carrier, and upon the goods leaving our premises or stock at the latest.

IV. Obstructions:

- If the execution of the order is obstructed by force majeure - on our or on our suppliers' side or in transport systems - the delivery time shall be considered as being constrained for the period of obstruction plus a reasonable subsequent preparatory period. If such obstruction exceeds a period of three months, the parties hereto shall be entitled to terminate the contract for the remaining part of the contract, whereas possible statutory rights of termination shall remain unaffected. The customer shall have the right to withdraw from the contract only if he has unsuccessfully requested us to state a firm delivery time within a reasonable deadline.
- Acts of force majeure include strike, lock out, mobilization, war, blockade, embargo on imports/exports, shortage in raw material and fuel, fire, natural disasters, traffic stoppage and disturbance in operation or transport.

V. Obligations to Investigate, Requirements to make Complaints, Defects:

- The goods shall be inspected immediately upon their arrival. Any obvious or visible defects shall be notified without delay in writing within eight (8) calendar days at the latest following delivery. Any defects that cannot be identified despite thorough and comprehensive inspection, shall be notified in writing without delay upon their discovery, thereby immediately discontinuing any further processing. In case of the form or deadline of complaints not being complied with, the goods shall be considered to be accepted irrespective of any defect.
- At our request, the customer shall immediately provide us with samples of the goods rejected.
- Negotiations on complaints shall not imply our waiving objections against complaints in undue form and time, or plea of lapse of time. Reservations made by forwarding agents or shipowners in shipping documents shall not constitute an

evidence of defect and shall not release the customer from his obligation to make complaints.

- For goods agreed as being degraded - for example Ila material or counter material - we shall not accept any responsibility with respect to defects notified or usually to be expected.
- Any deviation from dimensions, weights or qualities shall be permitted subject to the tolerances contained in the DIN and EN standards applicable upon conclusion of the contract, and, in the absence of these, in conformance with commercial practice.

VI. Warranty:

- In case that the goods are defective upon the passing of risk, the customer shall have the right of subsequent fulfilment. Such subsequent fulfilment shall be at our discretion by way of replacement deliveries or rework. Subsequent fulfilment can be refused by ourselves if excessive costs are involved. If subsequent fulfilment is refused for this reason, or if subsequent fulfilment fails, the customer may reduce the price or may terminate the contract by giving us notice hereof
- The customer's performing rework himself shall be permitted in legally specified cases only.
- Subject to clause VII.3, any further claims, in particular claims for damages, shall be excluded.

VII. Liability

- The following provisions shall apply to claims for damages, regardless of the legal reason, as well as to claims for reimbursement of expenses and claims for indemnity. However, the provisions governing the delay of delivery as set forth in clause III.4 shall prevail.
- Claims for damages shall be excluded; in particular we are not liable for consequential damages such as loss of profit, losses due to business interruption, loss of production and downtime costs as well as indirect damages. This shall also apply in favour of our legal representatives and such persons whom we use to perform our obligations (Erfüllungsgehilfen).
- The exclusion or limitation of liability set forth above shall not apply:
 - in cases of wilful misconduct
 - in cases of gross negligence
 - within the scope of a guarantee promise
 - in cases of death, injury or detriment of health
 - to claims according to the Product Liability Act (Produkthaftungsgesetz)
 - in cases of the culpable infringement of material contractual obligations. However, in such cases liability is limited to the compensation of the foreseeable damage which is intrinsic to the contract except in cases of wilful misconduct or gross negligence or in cases of death, injury or detriment of health. Material contractual obligations are particularly those which are required in order to achieve the purpose of the contract and the fulfilment of which enables the proper performance of the contract and on the observation of which the customer may rely.
- The above provisions do not constitute a reversal of the burden of proof.

VIII. Supplementary Agreements for Wage-Based Processing:

- For wage-based processing, we shall be notified of the material in question. The material composition shall be uniform and homogeneous, without any hard spots, shrink holes, contaminations or the like. Failure to comply with these requirements shall entitle us to charge the cost of additional work and replacement for prematurely worn or damaged tools, or to withdraw from the contract. In case of withdrawal from the contract, the customer shall pay the compensation accrued for work already performed, and reimburse any additional cost incurred.
- We have a contractor's lien in the material made available to us for processing, in respect of all claims arising from our business relations.
- All chips and waste products shall be our property.
- In case of the material made available to us becoming unfit for processing for justifiable reasons, the customer shall replace the material in question. Processing of the replaced material shall involve no additional compensation. The cost of material replacement and supply shall be at the customer's expense. This shall not apply if we act with intent or gross negligence or in case of any other mandatory liability in accordance with clause VII.3. The above rule does not constitute a reversal of the burden of proof. Subject to clause VII.3, claims for damages are excluded.

IX. Payment and Offsetting:

- Payments shall be made without deduction by the 15th day of the following month after shipment, and, for wage-based processing work, within eight (8) days after shipment or order completion report. Any discountable bills shall be accepted subject to express agreement and on account of payment only. Credit notes for bills and cheques shall be granted due payment provided, less expenses, stating the appropriate value date on which the counter value is made available to us.
- The customer shall only have a right of retention and be entitled to set off counterclaims against our claims for payment to the extent that such counterclaims are undisputed or have been finally decided. If this is not the case, retention shall only be possible if the counterclaim results from the same contractual relation as our claim and is in proportion to our claim.
- For any delay of payment, interest of 8 percentage points above the respective basic interest rate of the European Central Bank shall be charged.
- If, following conclusion of the contract, we learn of any circumstances suitable to consider the customer's creditworthiness as being materially restricted, we shall be entitled to immediately call due all of our claims arising from our business relations irrespective of the term of any bills possibly discounted, and require advance payment or security for outstanding shipments within a reasonable period of time. Failure to make such advance payment or provide security within a defined period of time shall entitle us to withdraw from the contract. The right of claiming for damage shall not be excluded by such withdrawal.
- The remittance of money shall be at the customer's risk and expense.

X. Reservation of Title:

- We reserve the ownership in goods delivered until all our claims arising from our business relations have been settled. For current accounts, our reservation of title shall guarantee the accepted balance.
- The customer shall have the right to resell the reserved goods on the basis of proper business practices, as long as he is not in default against us. He shall not have any other right of disposal. Claims against Third Parties arising from the resale shall be assigned onto us, to the amount of the invoice value of the reserved goods, regardless of whether the resale takes place without or following processing, or to one or several Third Parties. The customer is entitled to collect the debts. However, we reserve the right to revoke this authorization to collect the debts for a good cause, in particular in the event the customer is in material default of payment towards us or in the event insolvency proceedings are

instituted against the customer's assets or are rejected due to lack of sufficient assets.

3. The reserved goods shall be processed on our behalf and we are deemed as manufacturer without any commitment whatsoever arising for us therefrom. When processing or combining the reserved goods with other material that is not our property, we shall acquire the co-ownership in the new material at a ratio of the invoice value of the reserved goods to the purchase price of the other material at the time of the reserved goods being processed or combined. The new material shall be considered as reserved goods for the purpose of the above conditions.
 4. In case of the reserved goods being seized or otherwise affected by Third Parties, the customer shall refer to the reservation of title and notify us accordingly without delay.
 5. If the value of securities provided for us exceeds our claims by more than a total of 10 %, we shall, at our discretion, release any excessive securities at the customer's request.
- XI. Limitation period**
1. Claims for defects become time-barred one (1) year after the legal commencement of limitation. This shall not apply if limitation periods are mandatory by law, inter alia under §§ 438 (1) no. 2, 438 (3), 479 (1) and 634a (1) no. 2 BGB (German Civil Code), as well as in cases of mandatory liability referred to in clause VII.3.

2. In cases of mandatory liability in accordance with clause VII.3 limitation periods shall be governed by statutory law.
3. Beyond this, the standard limitation period according to § 195 BGB (German Civil Code) for customer's claims shall be restricted to two (2) years after the legal commencement of limitation.

XII. Place of Performance, Place of Jurisdiction and Applicable Law:

1. The place of performance for the parties hereto shall be Essen in the Federal Republic of Germany.
2. The place of jurisdiction for all litigations arising from or in conjunction with the execution of the order on behalf of the customer shall be Essen in the Federal Republic of Germany, as mutually agreed by the parties hereto. That place of jurisdiction shall be exclusive for any claim against ourselves. The jurisdictional clause shall also apply to special procedures deciding claims arising out of bills of exchange and cheques as well as summary proceedings.
3. The legal relationship between the customer and us shall be exclusively governed by the laws of the Federal Republic of Germany to the exclusion of the UN Convention on the International Sale of Goods (CISG).