

## General Terms and Conditions

I

### 1. Application

1. We shall execute delivery only on the basis of the following terms and conditions. In cases of ongoing business relationships, these terms and conditions shall also apply to future transactions, even if they are not expressly referred to, provided that the customer was made aware of them when an order was previously carried out by us.
2. We shall only be bound to other contrary purchasing terms and conditions of the customer, who is referred to as "Buyer" hereinafter, if they have been expressly accepted by us in writing.

### 2. Offers

1. Our offers are subject to change in terms of price, quantity, delivery time and delivery options unless they have been designated as binding offers.
2. The INCOTERMS 1953 shall additionally apply to all deliveries to foreign countries.

### 3. Prices

1. The prices are ex works, including those relating to freight, customs, import duties and packaging, and are subject to additional Value Added Tax in the statutory amount applicable at the time of delivery.
2. The Buyer shall be responsible for any price increases in freight, customs and any other charges, which come into effect after the conclusion of the contract. We reserve the right to rescind the contract if there is a change in currency or in the exchange rates during the time period between the conclusion of the contract and the delivery, or partial delivery of goods takes place. Furthermore, we are also entitled to charge the Buyer for any exchange rate losses incurred if payments have been credited to our account only after the agreed due date.

### 4. Weights and measurements, shortfall quantities and wrong deliveries

1. The proper determination of weights and measurements, also those for accounting purposes, is carried out during loading by us or by our authorized agent, unless the Buyer demands, at his cost, that the weight be determined by the railway authorities at the station of departure.
2. Shortfall quantities and wrong deliveries are to be reported within a time period of one week; rejected goods may not be processed, mixed or used. The laws in the German Commercial Code §377 (HGB) shall apply to all business dealings with our commercial customers.

### 5. Obligations to deliver and to accept delivery

1. If we are to blame for the agreed delivery deadline not being met and if we have not acted negligently or with willful intent, the Buyer is entitled to demand compensation for the delay, with the exclusion of other claims, after a reasonable extension has passed, or he is entitled to cancel the contract if he indicated that he would decline the goods or service in writing at the point in time when the extension date was set. The compensation for delay is limited to a maximum of 5% of the part of the delivery, which is not executed in accordance with the contract.
2. We are entitled to reasonable, partial deliveries. Any partial deliveries are considered special business transactions with regard to the issuing of invoices and payment (see no. 12).
3. Events of force majeure entitle us to postpone delivery for the duration of such disruption and a reasonable start-up time thereafter, or to cancel the contract either in full or in part because of the not yet fulfilled part of the contract. Events of force majeure include strikes, lock-outs and unforeseeable circumstances, such as business disruptions, which make it impossible for us to execute timely delivery despite all reasonable efforts. This shall also apply when the previously mentioned disruptions occur during a delay in delivery or with a subcontractor.

### 6. Shipping

1. Unless otherwise agreed, we shall select the packaging, type of shipment and shipping route at our discretion using our best judgment.
2. Risk also transfers to the Buyer in the case of freight- paid deliveries once the delivery item(s) leaves the supplying factory. For cases where the Buyer is responsible for the delays, the risk is transferred as soon as notification that the products are ready for shipment has been issued.
3. If a special shipping method and/or a special shipping route has been requested by the Buyer, he shall bear the extra costs incurred compared to the cheapest shipping option if we have committed ourselves to executing freight paid delivery.

### 7. Retention of title

The goods shall remain our property until full payment of the purchase price has been made. The rule stipulated in point 2.5 (installation of the goods subject to retention of title into your own property) shall apply accordingly; however, it does not depend upon whether it is deemed commercial. The rules laid out in point 2 shall apply to all business transactions with our commercial customers.

### 8. Trademarks

In the case of deliveries of goods that have protected trademarks, the Buyer may only use the trademark in connection with the products made out of the delivered item, if the holder of the trademark has expressly agreed to this in writing in advance. This shall apply to all processing stages.

### 9. Warranty rights of the Buyer and limitation of these rights

1. Warranties of any type are excluded for merchandise designated as "reclaimed".
2. The prerequisite for the enforcement of rights is that the Buyer must report obvious defects to us within one week after delivery has been made. Hidden defects are to be reported to us within one week after detecting such damage. Transport damages are to be reported immediately in writing. For deliveries made by railway, by commercial transport vehicles for long or short distance hauling, or made by any other transport carrier, the Buyer must observe the necessary formalities for the carrier.
3. Damages which were caused by defects to the delivered merchandise are to be reported to us immediately by specifying the handled goods.
4. If the Buyer discovers a defect, he is not permitted to use, combine, install, sell, etc. The merchandise delivered by us until evidence is preserved with us, or an independent procedure of taking evidence is carried out in compliance with §§ 485 German Code of Civil Procedure (ZPO), or a consensual solution has been made with us.
5. If the notification of defects is justified, we are obligated to execute a replacement delivery to the exclusion of other warranty obligations. If the replacement delivery also fails or we do not fulfill our obligation within the reasonable time periods, the Buyer can demand that the purchase price be lowered (reduction), he can cancel the contract, and/or demand compensation for damages.
6. Further claims— regardless of their legal basis— are hereby excluded.
7. The aforementioned terms and conditions shall apply accordingly if we deliver other merchandise than what was agreed upon in the contract.

### 10. Warranty, information and consultation

1. The information and advice we give on technical applications, both written and pictorial, is done to the best of our knowledge –also relating to any possible protected rights of third parties— and do not release our Buyer from carrying out his own check of our merchandise for its suitability for the intended processes and purposes. We shall only be liable if we, our employees and vicarious agents can be accused of gross negligence and willful intent.
2. Reference to technical standards and descriptions in the catalogue serve only to describe the goods and services provided. A formal guarantee for certain properties of the delivered goods must be made in writing in the order confirmation.

### 11. Other limitations of liability

1. Furthermore, our liability for damages due to contractual and legal violations is limited in accordance with the following terms and conditions.
2. Liability for simple negligence is excluded, regardless of the legal basis. This shall also apply to liability for the actions of authorized representatives or vicarious agents. In cases where essential contractual obligations are breached, we shall also be liable for simple negligence. Essential contractual obligations are those whose fulfillment is a prerequisite for enabling the proper fulfillment of the contract in the first place and whose observance the Buyer can rely on.
3. Liability for consequential and unforeseeable damages, loss of production, loss of use, consequential charges during further processing, loss of profits, savings that failed to materialize, and property damages due to third party claims, is excluded for simple negligence unless there is evidence of injury to life, limb or health.
4. All liability for damages on our part is limited to foreseeable damages that typically occur, as long as we cannot be blamed for willful conduct with regard to the breach of duty.
5. Claims for damages arising from liability according to mandatory legal provisions of the product liability law shall remain unaffected. However, our liability shall be excluded for the case where the

manufacturer or pre-supplier is informed by the Buyer in writing within 4 weeks after reporting the goods that caused the damage.

6. If and when our liability is excluded or limited, this shall also apply to the personal liability of our workers, employees, associates, representatives and vicarious agents etc..
7. All liability limitations shall not apply to damages resulting from injury to life, limb or health, or in cases where there is a guarantee or a guarantee of quality has been accepted, or if we are accused of gross negligence.

### 12. Payment

1. Our invoices are due in full 30 days after the invoice date and are to be paid either in cash or by bank transfer to one of our bank accounts.
2. If the agreed payment date is exceeded, interest shall be charged in the amount of 8 % points over the current base interest rate, provided we do not demonstrate that a higher rate of debt interest is due. We expressly reserve the right to the assertion of further damages caused by default.
3. We reserve the right to refuse acceptance of checks or bills of exchange. Checks and rediscountable bills of exchange are only accepted as conditional payment; all associated costs are to be paid by the Buyer.
4. If a SEPA direct debit mandate has been agreed upon, we are entitled to collect payments from the Buyer's bank account by means of direct debit. The Buyer shall instruct his financial institution to honor direct debits on his account which drawn by us. Collection of the direct debit shall be carried out on the date the invoice is due. If the due date is not a bank work day, the account will be debited on the next bank work day. The Buyer shall be informed of the upcoming collection three bank work days ahead of time (pre-notification); the Buyer pledges to ensure that there are sufficient funds to cover the amount to be debited. It is not possible to reverse charges (back posting). Costs, which are incurred as a result of the bank not honoring a direct debit or from back posting, shall be paid by the Buyer unless the non-payment or back posting is caused by us.
5. Non-compliance with the payment conditions or circumstances, which give reason to serious doubts as to the creditworthiness of the Buyer, will result in all of our outstanding bills becoming due immediately. Furthermore, we are entitled to require advanced payments for any deliveries still outstanding, to cancel the contract after a reasonable period of extension, or to require compensation for damages due to non-compliance, and further we are entitled to forbid the Buyer from disposing the goods and to take back any unpaid goods at the Buyer's expense.
6. The Buyer is entitled to offsetting rights if his counterclaims are legally binding, uncontested or recognized by us. Furthermore, exercising his right of retention is only authorized to the extent that his counterclaim is uncontested. A right of retention can only be drawn from the same contractual relationship from which our claim is asserted. For this purpose, it will be geared to the individual order and not to a contingent summary in one invoice.

### 13. Final clauses

1. The place of fulfillment is our company's headquarters.
2. The place of jurisdiction for business transactions with our commercial customers is the Local Court of Geilenkirchen and the District Court of Aachen for a disputed amount of more than € 5000 Euro.
3. German law shall apply exclusively. The application of uniform laws from July 17, 1973 regarding the international sale of moveable goods (Federal Law Gazette (BGBl) , p. 856), as well as the conclusion of international sales contracts for moveable goods are excluded.

II.

## Retention of title in the course of business transactions with our commercial customers

1. The delivered goods shall remain our property, as goods subject to the retention of title until payment of the purchase price has been remitted and until all pre-existing outstanding purchase price claims arising from the business relationship and the still outstanding ancillary debts (interest for late payments, damage caused by delay, etc.) that are closely related to the delivered goods are paid in full. Itemization of individual amounts receivable in a current invoice or the calculation of a balance and its approval shall not abrogate the retention of title. In cases where the Buyer delays payment, we shall be entitled to take back the goods subject to the retention of title after issuing a warning; the Buyer hereby consents to us taking seizure of the goods subject to retention of title.
2. If the goods subject to retention of title are processed into a new moveable good by the Buyer, the processing will be done in our name without committing us in any way; the new item shall become our property. For processing undertaken together with other goods, which do not belong to us, we acquire ownership to the new item in the same ratio as that between the value of the goods subject to retention of title and the value of the other goods at the point in time they were processed. If the goods subject to retention of title are combined, blended or mixed with goods which do not belong to us as defined in §§947, 948 German Civil Code ( BGB), we shall become joint owner in accordance with legal provisions. If the Buyer acquires sole ownership as a result of combining, blending or mixing, he hereby transfers co-ownership not in the same ratio as that between the value of the goods subject to the retention of title and the value of the other goods at the point in time when they are combined, blended, or mixed. We hereby accept the transfer of title. In these cases, the Buyer must safeguard our property or items in our joint ownership free of charge, which are also considered as goods subject to retention of title as defined in the following provisions.
3. If the goods subject to retention of title are sold by the Buyer on their own or together with other goods which do not belong to us, the Buyer hereby transfers the claims to us which arise from the resale –with all ancillary rights– in the amount that the goods subject to retention of title are valued at; we hereby accept this transfer. The value of the goods subject to the retention of title is our invoice amount plus an extra security charge of 38% (see no. 10 for calculation), which remains however disregarded if it conflicts with the rights of third parties. If the resold goods subject to retention are our joint property, the assigned claims shall extend to the amount that corresponds to our share of co-ownership. Point 2.1 Line 2 shall apply accordingly to the extended retention of title; the assignment in advance carried out in accordance with point 2.3 lines 1 and 3 shall also extend to the outstanding balance.
4. If the goods, subject to retention of title are installed in the property of a third party as an essential component, the Buyer hereby transfers to us now all existing claims against a third party or against whoever is concerned for reimbursement in the amount of the value of the goods subject to retention and all ancillary rights, including those from the granting of a debt-securing mortgage; we hereby accept the transfer. Numbers 2.3, lines 2 and 3 shall apply accordingly.
5. If the goods subject to the retention of title are installed by the Buyer in the Buyer's property as an essential component, the Buyer now hereby transfers to us the claims arising from the commercial sale of the property with all ancillary rights in the amount of the value of the goods subject to retention; we hereby accept the transfer. 2.3, lines 2 and 3 shall apply accordingly.
6. The Buyer is entitled and authorized to resell, use or install the goods subject to retention of title only in the usual proper course of business and only under the condition that the claims as defined in numbers 2.3, 4 and 5 are actually transferred to us. The Buyer is not entitled to other provisions pertaining to the goods subject to the retention of title, in particular pledging them as collateral and assignments as security.
7. Subject to revocation, we authorize the Buyer to collect the claims transferred under 2.3, 4 and 5. We shall not make use of our own authority to collect as long as the Buyer meets his payment obligations, also to those towards third parties. Upon our request, the Buyer must disclose the name of the debtors of assigned claims and notify them of such claims; we are also authorized to notify the debtors of the assignment ourselves.
8. The Buyer must inform us immediately of any compulsory enforcement proceedings by third parties with regard to the goods subject to retention of title or the assigned claims by handing over the documents to us, which are necessary to object to these proceedings.
9. The right to resell, to use and to install the goods subject to the retention of title shall terminate with the suspension of payments, the application for or commencement of insolvency proceedings, or the undertaking of an out-of-court settlement with the creditors (§305 I No. 1 German Insolvency Code (InsO); furthermore, the authority to collect the assigned claims shall be terminated; and the direct debit authorization for a protest of a check or bill of exchange shall also be terminated.
10. If the realizable value of the collateral securities given surpasses the claims to be secured from delivery transactions by more than 38 % (10% reduction of value due to possible losses, 4% due to §171 I German Insolvency Code (InsO), 5% due to §171 II InsO, and value added tax at the respective statutory rate – currently 19%), we shall be obligated to return or release them upon the Buyer's request. Upon payment of all our claims from delivery transactions, ownership of the goods subject to retention of title and the assigned claims shall be transferred to the Buyer.