



1. Formation of Contracts and Their Contents:

1.1. We enter into contracts through written confirmation of orders we have received only under the terms and conditions set forth herein, also when we do not expressly refer to this. Terms and conditions that deviate from ours do not apply. At the latest with the acceptance of the delivery the customer is deemed to give his consent to the terms of our confirmation.

1.2. All quotations are subject to change without notice.

1.3. All deviations from these terms and conditions require our written and signed confirmation.

1.4. Should a provision of these terms and conditions be or become invalid, the other clauses remain valid. The invalid provision will be replaced by that which comes closest to the intended economic result of the invalid provision.

1.5. The customer may assign claims only after our prior written and signed consent.

2. Prices:

2.1. Our prices do not include any packaging or value added tax.

2.2. If costs that we cannot influence increase by more than 10 % after the conclusion of a contract, we are entitled to increase our prices correspondingly as for goods that are to be delivered more than four months after conclusion of the contract.

3. Shipping, Packaging:

3.1. Our goods in quantities of 500 kg net weight or more are shipped carriage prepaid within Germany. We may make partial deliveries if our customers do not thereby suffer inappropriate disadvantage.

3.2. Freight surcharges, special packaging requested by the customer and packaging required by particular characteristics of the goods are the responsibility of the customer. Other recyclable packaging is provided by us subject to return to us. If this packaging or comparable recyclable packaging is not returned to us within 3 months in a non-objectable condition, carriage prepaid and free of charges, we will invoice the customer for the full market price of the packaging (payable immediately without any deductions).

4. Transfer of Risk:

4.1. In general we deliver our goods according to CPT INCOTERMS 2010. In case the customer would pick up the goods the risk is transferred to the customer with traversing the truck tailgate and the customer is obliged to use a safe transport vehicle. In the event of objections regarding the roadworthiness of the transport vehicle, we are entitled to withhold the loading of goods. In addition we are entitled to request from the customer the presentation of a safe and appropriate vehicle within a defined time period and to claim for reimbursement of any additional costs such as storage costs resulting from the delay in loading of goods effected by the withholding. Insofar we provide the customer with equipment to be used for the loading of goods the customer uses the same on its own risk.

4.2. In case of damages during transport/mix-up by the carrier the customer has to note this when receiving the goods on the letter of consignment and has to send us a copy immediately.

4.3. In case of return sales the customer carries the risk until arrival of the goods at the factory from which delivery was made.

5. Materials Testing by Third Parties:

If materials testing by third parties has been agreed, it is to be performed, upon request of the customer and at customer's expense, in the factory in Hannover after notice of readiness for shipment has been given.

6. Quality of Goods; Processing:

6.1. We deliver the number of pieces and the weight ordered within the range of customary tolerances such as deviations of up to 10% from weight and quantity caused by production conditions — for orders up to 1,000 kg up to 25 %. The weight as we have determined is controlling.

6.2. The product specifications as confirmed by us and the usual technical standards as stipulated by the order confirmation are controlling the quality of goods.

6.3. Relevant for the product quality are solely our product drawings, confirmed by the customer. The drawings shall be deemed as confirmed insofar the customer might not object against a drawing within a time period of 14 working days after providing him with the same.

6.4. Our goods are semi-manufactured products to be used for a processing which will modify the goods quality characteristics in particular the structure of the metal. The customer is solely responsible for a state-of-the-art processing and an appropriate quality management before, during and after the manufacturing process. The quality management shall include an inspection of incoming goods.

7. Warranty:

7.1. We warrant a delivery of goods in a quality as described above in section 6. Any further warranty especially concerning the use intended by the customer is excluded. Insofar we provide the customer with certificates and confirmations dealing with the product quality these documents shall be deemed as a confirmation of the product quality at the time of delivery.

7.2. Objections concerning weight, number of pieces as well as other apparent deficits are to be brought to our attention immediately, at the latest nonetheless one week after receipt of the goods. Notice of latent defects is to be given to us immediately after their discovery.

7.3. If the customer does not give us notice of deficiencies in a timely manner and does not, after request, submit samples immediately of the goods to which objection is raised, all claims of warranty defects lapse. The evaluation of a defect does not prevent us from objecting against the notice of defect based on delay of the same.

7.4. Warranty claims are subject to a limitations period under which they expire at the latest twelve months after delivery.

7.5. In the case of justified claims of warranty nonperformance, the customer can request subsequent performance of cure to be performed within a suitable period of grace, at least 14 days, under which we may repair or replace at our option. If the subsequent performance of cure fails its purpose, the customer retains its statutory rights, but can only rescind the transaction where more than 10 % of the delivered goods are defective.

7.6. In case of a defective partial delivery, a replacement of the total delivery quantity or of the remaining partial deliveries is not due.

7.7. Technical advice on possibilities of use and further processing of our products, given pursuant to customer-provided information, as well as all other related statements, do not constitute product-related marketing that influence the customer's decision; they constitute instead an additional service performed that is external to the purchase.

7.8. The determination whether the ordered/recommended goods are fit for the particular purpose foreseen by the customer is the duty of the customer; we exclude any liability for fitness for a particular purpose.

8. Liability

8.1. For damages other than bodily injury and death caused by defective products, our liability is limited by the coverage and coverage limits provided in the particular instance by our product liability insurance policy, up to 5 million US\$, except in cases of gross negligence or intent on our part. Insofar as the defective products lead to a product recall, the liability for the resulting cost is limited to the coverage and coverage limits provided in the particular instance by our product recall insurance policy. These costs are only recoverable in addition if we have been informed about the recall measures and if we have been given an opportunity to participate within an appropriate period of time.

8.2. In case of delay we are liable for at most one half of one percent of the order volume per week, up to a maximum of 5 % of the order volume. Furthermore, compensation claims are limited to the replacement of proven excess expenses (cover costs on the basis of three replacement offers).

8.3. In case of other breaches of duty, which do not form essential contractual obligations such as the delivery of ordered goods, we are not liable for simple negligence, except in cases of bodily harm.

8.4. Insofar the applicable statutory law or case law would impose on us, the customer or a third party a product recall we may be held liable for the consequence of the same insofar we are responsible for any reasons effecting the respective product recall. Our liability shall not exceed the maximum amount of our product recall insurance coverage. The reimbursement of costs is subject to the conditions that we have been informed about the product recall measurements, requested to initiate our own recall within an adequate time period and failed to act accordingly.

8.5. If according to the applicable law our liability could be limited or excluded exceeding the aforementioned limitations or exclusions of liability, it shall be deemed as agreed between us and the customer that our liability shall be limited respectively excluded according to the rules and regulations of the applicable law.

9. Tooling, Samples, Protected Rights of Third Parties:

In case we have participated in the cost of tooling, the tooling becomes our property without respect to any design rights held by the customer. If more than a year has passed since the last delivery, we are entitled to apply the tooling for other uses as long as this does not violate the design rights of the customer. Three years after the last delivery we are permitted to scrap the tools. If orders are performed according to the specifications of the customer and these violate protected rights of third parties, the customer indemnifies us from all liability and claims.

10. Delivery Periods:

10.1. Delivery periods are fixed with delivery of the essence on the appointed dates only in exceptional cases where they have been expressly confirmed as such by us in writing.

10.2. If we are impeded in the performance of our obligation by unforeseeable circumstances that were not avoidable in spite of reasonable diligence, the delivery period is extended by the duration of the impediment. This also applies to labor disputes, interruptions in our own operations, interruptions in the operations of our suppliers (insofar as no substitute procurement is feasible) including our freight carrier, interruptions due to measures of public authorities and interruptions in transportation. If the delivery or performance become impossible owing to these circumstances, we are exempted from the obligation to deliver and have no liability for damages. If the customer proves that a later delivery is of no interest to it, the customer can rescind the contract so long as any further remedy is excluded.

10.3. Partial delivery is acceptable insofar as the customer is not adversely affected by a partial delivery.

11. Successive delivery

In case of successive delivery only the allocation of deliveries that has been confirmed by us is binding. The customer has to state within three months after ordering an allocation of deliveries giving consideration to the minimum batch sizes specified in our order confirmation; otherwise we will make the delivery in one shipment. A deviation from the confirmed allocation of deliveries with respect to partial deliveries is permissible after written request is made, but only for deviations of not more than 15 %. Amounts above this require a separate authorization.

12. Creditstanding:

12.1. If we learn after signing the contract about circumstances that show grounds for the assumption that the financial circumstances of the customer are deteriorating, e.g., the customer does not pay its bills, its drafts or checks are dishonored, pending deliveries will only be made against payment in advance.

12.2. If requested advance payments do not arrive or if no payment takes place upon delivery, we can after a suitable period of grace, at the longest 8 working days, rescind the contract and claim damages due to non-performance of the buyer.

13. Retention of Title:

13.1. We retain ownership of the goods delivered by us as well as of the products manufactured or processed from these goods (goods subject to reservation) until all present and future claims against the customer resulting from our business relationship have been satisfied. The customer is required to label the goods subject to retention of title accordingly and to store them separately.

13.2. The customer performs any manufacturing or processing for our account without us thereby incurring any obligations or liability. If the customer combines goods subject to reservation with other goods, we are entitled to co-ownership of the new products in the proportion that the value of the processed reserved goods bear to the other goods used at the time of the manufacturing or processing.

13.3. The customer assigns to us now any resulting co-ownership shares from the combination, mixture or amalgamation of the delivered goods with other goods.

13.4. The customer may sell the delivered goods and the products resulting from their being subjected to manufacture or processing, their combination, mixture and amalgamation, only in the normal course of business subject to retention of title. Mortgaging goods, pledging and other dispositions that may jeopardize our rights are not permitted. The customer assigns to us now all claims it may have resulting from these transactions. If the goods subject to reservation are sold with other goods, the customer surrenders all claims for the reserved goods to their full value or in case of manufacturing or processing with goods not belonging to us to the extent of the value of the processed or manufactured goods subject to reservation.

13.5. As long as the customer fulfils its obligations it remains entitled to the collection of outstanding claims it may have.

13.6. The customer grants us now the right to visit the business premises where goods under retention of title are stored and to obtain the return of these goods on demand or to effect a seizure in a suitable manner. In such cases, any amount recovered in excess of the cost of enforcing the retention of title will be credited to the customer.

13.7. If the value of the secured items exceeds our claims by more than 20 %, the customer is entitled to obtain a release of the secured property to the extent of such excess.

13.8. The customer is to report access of third parties to the goods subject to reservation or to the assigned claims immediately and hand over documents necessary for an intervening action. The costs of intervention are paid by the customer.

13.9. If according to the applicable law at the place of delivery the validity of the retention of title requires the execution of specific documents or procedures the customer is obliged to notify us the same and to cooperate regarding their fulfillment. In the event the customer might fail to fulfill its aforementioned obligations we are entitled to claim for compensation of any losses which might result from an invalid retention of title.

14. Set-Off and Withholding:

The customer is only entitled to make a set-off to our demands for payment or to withhold payment if the counterclaim has been expressly recognized in a signed writing by us or has been determined in a final legal judgment.

15. Failure to Meet the Terms of Payment:

In case of failure to meet the terms of payment we are entitled – without limitation of any other right to compensation - to the payment of usual banking rate interest at a minimum of 8 % above the base interest rate.

16. Place of Performance, Judicial Forum:

Place of performance for our performance is the factory/warehouse that has been chosen by us to perform the contract.

Place of performance for the payment duty is Hannover. All claims and disputes arising out of this contract are to be resolved exclusively in the ordinary courts of Hannover. The customer consents to the exercise of jurisdiction by the ordinary courts of Hannover, we are also entitled to raise claims against the buyer at its place of business.

17. Applicable Law:

The law of the Federal Republic of Germany applies including the application of the Hague Convention on the International Sale of Movable Goods and the Convention on the International Sale of Goods. The foregoing regulation shall not apply for the application of these conditions; this item shall be determined by the domicile law of the customer.

18. Arbitration:

Claims which exceed the amount of 200,000 Euro shall be raised by either party in an arbitration proceeding against the Buyer, excluding resort to ordinary court proceedings. The proceeding is to be carried out under the ICC international commercial arbitration rules by three arbitrators. The language of the proceedings will be English. The place of arbitration is Frankfurt.