



General payment and delivery terms

1. General provisions

These terms and conditions of sale will apply to contractors, legal entities or corporate bodies of public law or special funds under public law respectively. The Contractor will make deliveries and provide services exclusively subject to the below terms and conditions.

Any deviating terms and conditions of the Purchaser that have not been expressly accepted or approved in writing will not be binding and will not apply even though they may not have been expressly objected to.

Any and all agreements, proposals or quotations will be subject to the Contractor's terms and conditions only. They will be deemed accepted and approved when the purchase order is placed or delivery is accepted respectively.

2. Price

The proposals or quotations submitted by the Contractor will be without obligation and subject to confirmation.

Proposals or quotations will only be valid if submitted in writing.

The prices quoted will be subject to the proviso that the job data on which the proposal or quotation is based will remain unchanged. The prices quoted are to be understood as net prices in Euros, excluding value-added tax (VAT), packing, freight, postage and insurance. They will be deemed ex works unless agreed otherwise.

3. Drawings and descriptions

The right of exclusive manufacturing is reclaimed for any designs, drawings or tools submitted, more specifically for any profiles or sections. Execution or reproduction by third parties will be subject to permission under copyright law by the Contractor.

The Contractor hereby warrants that the manufacture, the supply and delivery of any items made to its specifications will not violate any property rights of any third parties.

Any and all molds, templates or similar fixtures as well as drawings or technical documentation regarding the goods to be supplied and delivered or their manufacture respectively will remain the sole property of the Contractor, even though the Purchaser may be charged with the costs for said items.

4. Acceptance of orders - purchase orders - placing of orders

The contract will be deemed completed upon written confirmation of the purchase order by the Contractor. Any subsequent changes of the order that are caused by the Purchaser will entitle the Contractor to change any terms or conditions of the contract that are thereby affected accordingly. Any such changes must also be confirmed in writing.

Should the Contractor become aware of any subsequent circumstances that seem to cast doubt on the solvency of the Purchaser, the Contractor may make further processing of the order conditional, such as delivery of prepayment, or require reasonable security.

5. Execution and performance

5.1. Acceptance of technical data or specifications by the Purchaser



Detailed design documents submitted by the Contractor to the Purchaser must be reviewed and approved by the Purchaser in relation to any material or required properties.

The Purchaser shall return the duly signed documents to indicate its approval. Should any corrections be required, these must be clearly marked accordingly. The Contractor will not accept liability for any noticeable defect or deficiency that the Purchaser may have ignored or may not have objected to or rejected at the time of such review unless the Contractor should have fraudulently concealed the same.

5.2. Tolerances

5.2.1. Figures, dimensions or drawings as well as any indications as to composition or quality that are shown in any price lists, catalogs or similar documents shall merely be considered as customary approximate values only. Samples or patterns shall merely be deemed to be approximate test samples of no commercial value in terms of dimensions, quality or other such properties. Information provided by us in relation to properties, dimensions, purpose or intended use or similar are to be understood as mere descriptions and do not pertain or include any assurance of properties.

5.2.2. In the event of technical necessity, we reserve the right to supply and deliver the goods ordered with deviations in terms of nature or quality, dimensions or other such properties. Any such deviations will not qualify for complaint unless said changes should result in significant impairment in terms of the usefulness of the items supplied and delivered.

5.2.3. The content of the package is determined through weighing (number of units). The weights thus determined are noncommittal approximate values used to determine the shipping costs. As a general rule, the Contractor will be entitled to make deliveries of excess quantities or shortages in quantity respectively as a function of the product of up to ten percent (10%). The Purchaser shall always pay for the actual quantity or volume supplied and delivered to them.

6. Supply and delivery

Any goods notified ready for dispatch and shipment must be accepted by the Purchaser without any undue delay. Failing this, the Contractor will be entitled, at their own discretion, to either ship the goods or to warehouse them, both at the cost and risk of the Purchaser.

Upon delivery to the railroad company, the forwarding agent or the shipping company, or upon commencement of warehousing or, at the latest, when the goods are taken out of the warehouse or are released from the production facility, the risk will pass over to the Purchaser, this also applies if the Contractor is in charge of shipment and delivery.

Partial deliveries will be allowed on principle. They will be invoiced separately. Each partial delivery made will be deemed to be a separate commercial transaction. Fulfillment or non-fulfillment of any one partial delivery will not have any effect or impact on any other partial delivery.

If the Contractor foresees that they will not be able to make delivery within the respective delivery period, they will inform the Purchaser of this immediately in writing, quoting the reasons for the delay and the estimated delivery date, where possible.

Business disruptions both at their own production facility or at external facilities which are essential for the manufacture or the handling or transportation of the goods will relieve the Contractor from its obligation to comply with the period of delivery without giving rise to any claims for compensation, if and to the extent that such a delay cannot be



prevented at reasonable cost or in due time respectively. Business disruptions to this effect shall be any severe or material obstacles for which the Contractor is not responsible and which the Contractor could not reasonably foresee, in particular general scarcity of raw materials or energy shortage, unavailability of transportation, government interventions, labor disputes, war or civil commotion or major fires.

The above paragraph shall apply mutatis mutandis in instances where the Contractor would not receive deliveries in due time or deliveries of the correct materials from the upstream supplier or vendor in spite of congruent covering purchase.

In instances of Force Majeure, labor disputes, civil commotion, government interventions, failure of our suppliers or vendors to deliver to us or similar unforeseeable, unavoidable and serious events, the contracting parties will be obliged, within the scope of what is reasonable, to exchange any required information and to adjust their respective obligations to the changed conditions in good faith.

If delivery is delayed due to the above circumstances or due to any acts or omissions on the part of the Purchaser, the period allowed for delivery will be extended by a reasonable period of time.

If the Purchaser, after confirmation of the purchase order, requests changes to be made to the purchase order that would affect the production time, a new period of delivery shall commence upon acceptance and confirmation of such changes.

The Purchaser will only be entitled to rescind from the contract in instances whereby the Contractor is responsible for the noncompliance of the delivery date and the Purchaser has granted a reasonable extension of time that has expired to no avail.

Compensation for indirect damage such as for loss of profit or covering purchase will be precluded.

Acceptance of the goods shall occur according to contractual agreements. If acceptance is delayed, the Contractor will be entitled to charge any costs incurred by such a delay. If acceptance is delayed by the Purchaser, costs incurred by storing the goods at the Contractor's warehouse will be charged to the Purchaser, by no less than half a percent (0.5%) of the invoiced amount per month. However, the Contractor, after unsuccessful expiration of a reasonable period of time, will be entitled to otherwise dispose of the delivery item and to make the delivery to the Purchaser within a reasonably extended period of time.

7. Reservation of title

The Contractor reserves title of ownership of the goods supplied and delivered until all claims from the transaction with the Contractor have been settled and until all related payments as per the contract for supply and delivery will have been received in full according to Section 449 of the German Civil Code (BGB).

The Purchaser will assign any and all claims for the payment of purchase prices by its customers from the conditional sale of any goods supplied and delivered to it under reservation of title to the Contractor upon conclusion of the contract between the Contractor and the Purchaser, which is in the amount of the purchase price of the goods subject to retention of title agreed between the Contractor and the Purchaser (plus value-added tax) by way of security. The Contractor hereby accepts said assignment.

The Purchaser will be entitled to collect said amounts receivable for as long as it is not in arrears with any payments to be made to the Contractor. The right of the Contractor to collect said amounts receivable to them shall remain unprejudiced. The Purchaser undertakes to disclose to the Contractor the claims assigned and their respective trade debtors upon the Contractor's reasonable request, and to provide any information required for collection, and to advise the respective trade debtors of such assignment in writing.



The Purchaser will not be entitled to pledge any of the goods supplied and delivered to it under conditional sale or to transfer the same to any third parties by way of security respectively. Pledging or other such interventions by third parties shall be communicated by the Purchaser to the Contractor in writing without any undue delay.

In the event of a breach of contract on the part of the Purchaser, and more specifically delay in payment, the Contractor, upon unsuccessful expiration of a reasonable grace period for delivery by the Purchaser, shall be entitled to rescind from the contract and redeem the respective goods; legal requirements regarding dispensability of setting deadlines will remain unprejudiced. The Purchaser will be obliged to surrender the respective goods.

The Contractor will be entitled to rescind from the contract if a petition in bankruptcy is filed for the assets of the Purchaser.

If these goods are sold together with other goods that are not the property of the Contractor, the claim of the Purchaser towards its customers in the amount of the purchase price agreed between the Contractor and the Purchaser upon conclusion of the respective delivery contract shall be deemed to have been assigned to the Contractor as a principal security, it will be the amount of their claims for payment for the goods they supplied and delivered. Retention of title will also apply until any other claims of the Contractor will have been settled (overall reservation of title).

The Contractor will release any securities as and if the receivables to be collateralized should be excessively collateralized by more than twenty percent (20%).

If the goods of the Contractor are combined with other movable property to form a unitary item or if they are inseparably mixed with other property or if the other property is the principal object, the Purchaser will transfer proportional joint ownership to the Contractor, to the extent that the principal object is their property. The Purchaser will hold in safe custody the property or joint property on behalf of the Contractor.

As with goods that are subject to retention of title, provisions shall apply to any objects formed by way of processing, combination or mixing respectively.

The Purchaser shall immediately advise the Contractor of any compulsory enforcement measures regarding the goods subject to retention of title, the claims assigned to the Contractor or other such collaterals submitting any documents required for the latter's own interventions. The same shall also apply to any impairment or interference of any other kind.

The assertion of reservation of title or the redemption of the delivery item by the Contractor shall not be deemed rescission from the contract.

8. Terms of payment

Invoices will not be issued any earlier than upon shipment of the goods from our premises or when the Purchaser has accepted the delivery by default. Unless otherwise agreed, invoices shall be payable without deduction within fourteen (14) days of the invoice date.

If the Contractor has indisputably supplied and delivered defective goods, the Purchaser shall still be obliged to make payment for the part of the goods that is free from defects unless such partial shipment alone is of no interest or use to them.

In addition, the Contractor will be exclusively entitled to offset against validly ascertained or undisputed counterclaims.

If the period allowed for payment is exceeded, the Contractor may charge default interest at the rate charged to the Contractor by the bank for overdrafts, but no less than eight (8) percentage points above the respective base interest rate of the European Central Bank. Bills of exchange and cheques will only be accepted where agreed, and only on account of performance and on condition that they may be discounted. Discount charges will be



charged as of the maturity of the invoiced amount. No warranty will be extended for the submission of the bill of exchange or check in due time and for the raising of bill protest. In the event of default in payment, the Contractor may, after written communication to the Purchaser, suspend the performance of its obligations until the respective payments have been received.

If, after conclusion of the contract, it becomes evident that the payment claim of the Contractor will be jeopardized through inadequate performance on part of the Purchaser, the Contractor may refuse performance and the Contractor may set a reasonable period of time for the Purchaser to make payment or provide collateral matching the physical delivery.

If the Purchaser refuses to meet said request or if the period of time set expires unsuccessfully, the Contractor may rescind from the contract or claim damages.

If there seems to be a significant deterioration in the pecuniary circumstances of the Purchaser or if the Purchaser is in arrears with payment, the Contractor may request immediate payment even for the goods not as yet supplied and delivered, for any invoices as yet not payable, and for any bills of exchange or checks not as yet mature and if the respective amounts are covered by the Contractor's spending on the respective order.

9. Liability for defects in delivery

The nature and quality of the goods are exclusively determined by the agreed technical shipping instructions. If the Contractor has to deliver based on drawings, specifications or samples submitted by the Purchaser, the latter shall assume the risk of suitability for the intended purpose. The date of the transfer of risk shall prevail in relation to the contractual condition of the goods.

Complaints shall be lodged with immediate effect within the remit of Section 377 of the German Commercial Code (HGB). Hidden defects must be reported immediately upon detection, without any undue delay.

The Contractor will not accept responsibility for improper or inappropriate use, faulty assembly or installation or similar caused by the Purchaser or by any third parties. The same will apply to natural wear, faulty or negligent handling, consequences of inappropriate modifications or modifications made without the prior consent of the Contractor, or repair work undertaken by the Purchaser or any third parties respectively.

The same will also apply to any defects that would deteriorate the value or suitability for use of the goods to an insignificant extent.

The Contractor shall be given an opportunity to ascertain the defect that is the subject of the complaint. Faulty goods shall be returned to the Contractor without any undue delay, upon request. If the Purchaser does not comply with this obligation, or makes any modifications to any goods already found faulty without the consent of the Contractor, any warranty claims for material defects will be deemed forfeited forthwith. In instances of justified notice of defects submitted in due time, the Contractor will proceed to supplementary performance through supply and delivery of replacement goods that are free from defect.

If said supplementary performance fails, the Purchaser may decide to reduce the price or rescind from the contract respectively.

In any case, the right of the Purchaser to ascertain claims from defects will lapse after twelve (12) months. However, this will not apply if or where longer statutes of limitation are made mandatory by law.

10. Other claims, liability



Unless otherwise stipulated below, any other or further claims of the Purchaser against the Contractor shall be excluded. This will specifically apply to claims for damages for breach of contract from contractual obligation or from tortious act. Thus, the Contractor does not assume liability for any damage not caused to the goods supplied and delivered per se. More specifically, the Contractor will not assume liability for any loss of profit or other such financial losses on the part of the Purchaser.

The above limitations of liability will not apply in instances of intention, gross negligence on the part of legal representatives or executive staff or in instances of culpable violation of fundamental contractual obligations, respectively.

In the event of culpable violation of fundamental contractual obligations, the Contractor will exclusively assume liability for contractually anticipated foreseeable damage, however, with the exception of instances of intention or gross negligence on the part of the legal representatives or executive staff of the Contractor.

In addition, limitation of liability will not be effective or apply in instances where liability must be assumed for personal injuries or damage to privately used objects if goods are defective according to the German law on product liability (ProdHaftG). Furthermore, it will not be effective in instances of injury to life, limb or health or if guaranteed qualities or warranted characteristics are missing, if such warranty was made with the intention of collateralizing the partner against undamaged goods supplied and delivered per se.

As and if liability of the Contractor is excluded or limited, this shall also be true for the personal liability of its staff, employees, legal representatives or agents, respectively. Statutory regulations regarding the burden of proof shall remain unprejudiced.

11. Place of performance, legal venue and applicable law

Depending on the respective placement of the order, the place of performance shall be the Contractor's business location in Nienburg (Germany) respectively.

The exclusive legal venue for services, deliveries or payments, including actions on checks or bills of exchange or similar legal disputes between the contracting parties for purchase orders placed with the Nienburg or Köthen based units will be the relevant courts in either the Bernburg local court district or the Dessau regional court district. The Contractor may also institute proceedings against the contracting partner in another legal venue with jurisdiction over them, pursuant to Sections 12 ff. of the German Code of Civil Procedure (ZPO).

The contractual relationship shall be governed exclusively by the law of the Federal Republic of Germany.

12. Miscellaneous provisions

Failing specific agreements made herein, relevant legal regulations shall apply.

Should any one provision hereof be or become ineffective or void, the remaining provisions hereof shall remain unprejudiced. This shall not entail the invalidity or voidance of the whole contract. Any such ineffective or void provision shall be given a new interpretation such that the intended economic objective will be achieved through it. If such reinterpretation is not possible, the contracting parties shall be obliged to replace the ineffective or void provision by a new provision that most closely resembles the ineffective or void provision in terms of its economic objective.