

GL Gießerei Löbnitz GmbH

General Terms and Conditions of Delivery and Payment for Foundry Products (od 27.12.2011)

Our deliveries and services are subject to the following terms and conditions. Other terms and conditions of the customer shall not apply even if we have knowledge of them and carry out the delivery without reservation. Our terms and conditions do not apply to consumers within the meaning of § 13 BGB (German Civil Code). They shall also apply to all future transactions with the Purchaser arising from current business relations. All agreements made between us and the customer for the purpose of executing this contract must be laid down in writing in this contract. Changes and additions to the contract must be made in writing.

1. conclusion of contract, scope of delivery

- a) Our offer is subject to change without notice, unless otherwise stated in the order confirmation or unless we have expressly declared otherwise in writing. A contract is only concluded if we have confirmed an order in writing or if we have executed the order.
- b) The information contained in brochures and catalogues such as illustrations, drawings, weights and dimensions are approximate values customary in the industry, unless they are expressly designated as binding.
- c) We reserve ownership and copyrights to illustrations, brochures, calculations and other documents; they may not be made available to third parties. This applies in particular to such written documents which are designated as "confidential"; prior to passing them on to third parties, the customer requires our express written consent.

2. pricing and terms of payment

- a) Our prices are quoted ex works plus packaging, freight, postage, insurance and the applicable statutory value added tax.
- b) If order-related costs change significantly after conclusion of the contract, the contracting parties will agree on an adjustment.
- c) Unless otherwise agreed, our invoices are to be paid immediately without deduction.
- d) The customer shall only be entitled to withhold or set off payments on the basis of any counterclaims if undisputed or legally established payment claims exist.
- e) If we have delivered partially defective goods, the customer is nevertheless obliged to make payment for the undisputedly faultless goods, unless the partial delivery is not of interest to him.
- f) We accept discountable and duly taxed bills of exchange on account of payment if this has been expressly agreed in advance. Credits for bills of exchange and cheques shall be credited subject to receipt minus expenses with the value date of the day on which we are able to dispose of the equivalent value.
- g) If we are obliged to make advance payment and if, after conclusion of the contract, we become aware of circumstances according to which our claim for payment is endangered due to a lack of capability on the part of the customer, we may, in addition to the legal claims based on the reservation of title agreed in clause 9, prohibit the resale and processing of the delivered goods and demand their return or the transfer of indirect possession of the delivered goods at the customer's expense, and demand the collection authorization under the conditions of clause 9 (h). The customer authorizes us to enter his premises and to collect the delivered goods in the aforementioned cases. The taking back of the goods shall only constitute a withdrawal from the contract if we expressly declare this.
- h) In the event of default in payment, we may, after written notification, suspend the fulfilment of our obligations until payment has been received. After setting a reasonable deadline, we shall also be entitled to withdraw from the contract in this case.
- i) If the due date is not met, you will incur an interest charge of 8%.

3. delivery time

- a) Delivery periods begin with our order confirmation, but not before all details of the execution have been clarified and all other prerequisites to be fulfilled by the customer have been fulfilled; the same shall apply to delivery dates. Deliveries before the expiry of the delivery period and partial deliveries are permissible, provided that this is not unreasonable for the customer. The day of delivery is deemed to be the day of notification of readiness for dispatch, otherwise the day of dispatch. Insofar as nothing else has been agreed or the contractual relationship does not provide otherwise, the delivery time stated by us is always non-binding.
- b) Agreed delivery periods and deadlines shall be extended or postponed, without prejudice to our rights arising from the Purchaser's default, by the period by which the Purchaser is in arrears with his obligations. If the customer is in default of acceptance or if he culpably violates other obligations to cooperate, we are entitled to claim damages incurred by us, including any additional expenses. In this case, the risk of accidental loss or accidental deterioration of the object of purchase shall also pass to the customer at the time when he is in default of acceptance.
- c) If we are in default, the customer can set a reasonable period of grace with the express declaration that he will refuse acceptance of the service after expiry of this period and withdraw from the contract after expiry of this period.
- d) At our request, the customer shall be obliged to declare within a reasonable period of time whether he shall withdraw from the contract due to the delay in delivery and/or demand compensation for damages instead of performance or insist on delivery.

4. series deliveries, long-term and call-off contracts

- a) Indefinite contracts can be terminated by giving 6 months' notice to the end of the month.
- b) If, in the case of long-term contracts (contracts with a term of more than 12 months and open-ended contracts) after the first four weeks of the contract period, if there is a significant change in wage, material or energy costs, each contracting party shall be entitled to demand an appropriate adjustment of the price taking these factors into account.
- c) Our prices are calculated on the basis of the agreed order quantities. If no binding order quantities have been agreed, our calculation is based on the right to increase the price per unit accordingly. If the orderer exceeds

with our consent the quantity, he may demand an appropriate price reduction, provided that he notifies this in writing at least 2 months before the agreed delivery date. The amount of the reduction or increase is to be determined according to our calculation basis.

d) In the case of on-call delivery contracts, binding quantities shall be notified to us by call-off at least 3 months prior to the delivery date, unless otherwise agreed. Any additional costs caused by a delayed call-off or subsequent changes of the call-off with regard to time or quantity caused by the customer shall be borne by the customer; in this case, our calculation shall be authoritative.

e) In the case of series production, an excess or short delivery of up to 10 % compared with the order quantity is permissible due to the special features of the casting process.

f) The total price will change according to the extent of your order.

5. force majeure and other obstructions

- a) Occurrences of force majeure, labour disputes, lockouts and official measures entitle us to postpone delivery for the duration of the hindrance and a reasonable start-up time or to withdraw from the contract in whole or in part due to the unfulfilled part of the contract.
- b) Force majeure shall be deemed to include unforeseen circumstances, e. g. breakdowns, scrap and after-treatment, which make it impossible for us to deliver on time despite reasonable efforts; proof of this shall be furnished by us.

6. test procedure, acceptance

- a) If acceptance has been agreed, the scope and conditions shall be determined at the same time until the conclusion of the contract.
- b) If this does not take place, acceptance shall take place to the extent customary in our company and in accordance with the conditions customary in our company. The same applies to initial sample tests.

7. dimensions, weights, quantities

- a) Deviations in dimension, weight and quantity within the scope of customary tolerances, relevant DIN regulations and casting requirements are permissible. Specifications of dimensions and weights in our quotations and order confirmations are no guarantee of quality.
- b) The delivery weights and quantities determined by us shall be decisive for the calculation.

8. shipping and transfer of risk

- a) Unless otherwise agreed in writing, the delivery clause "ex works" (Incoterms 2000) shall apply. This shall also apply if we have undertaken to bear the transport costs.
- b) We shall only cover the delivery by transport insurance at the express request of the customer; the costs incurred in this respect shall be borne by the customer.
- c) Goods notified as ready for dispatch shall be accepted without delay, otherwise we shall be entitled to dispatch them at our own choice or to store them at the customer's risk and at normal shipping costs, and we shall also be entitled to the latter if the dispatch undertaken by us cannot be carried out through no fault of our own. The goods shall be deemed to have been delivered one week after commencement of storage.
- d) In the absence of special instructions, the means of transport and the transport route shall be chosen at our discretion.
- e) With the handover to the railway, the forwarding agent or the carrier or one week after commencement of storage, at the latest however with leaving the factory or warehouse, the risk shall pass to the customer, even if we have taken over delivery.

9 Retention of title

a) All delivered goods remain our property (goods subject to retention of title) until the fulfilment of all claims, in particular also the respective balance claims, which we are entitled to from the business relationship. This also applies if payments are made on specially designated claims.

If the customer is in default of payment, we are entitled to demand the surrender of the delivered goods. The costs for this shall be borne by the customer. This does not apply in the case of insolvency proceedings filed or opened by the customer, on the basis of which we are not entitled to demand immediate return of the delivered goods.

b) The taking back of the goods or the assertion of retention of title shall only constitute a withdrawal from the contract if we expressly declare this.

c) The customer shall always carry out the processing or treatment of the delivered goods on our behalf. If the goods subject to retention of title are processed or inseparably combined with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the invoice value of the goods to the other processed or mixed items at the time of processing.

d) If our property ceases to be owned by combining or mixing, the customer shall already now transfer to us the ownership rights to which he is entitled to the new stock or the item to the extent of the invoice value of the reserved goods and shall store them for us free of charge. The resulting co-ownership rights shall be deemed to be reserved goods within the meaning of subparagraph a).

e) The customer may only sell the reserved goods in the ordinary course of business at his normal business conditions and, as long as he is not in default, provided that the claims

arising from the resale are transferred to us in accordance with letters f) and g). He is not entitled to dispose of the reserved goods in any other way.

f) The customer's claims arising from the resale of the reserved goods shall be assigned to us already now.

They serve as security to the same extent as the reserved goods.

g) If the goods subject to retention of title are sold by the customer together with other goods not supplied by us, the assignment of the claim from the resale shall only apply in the amount of our invoice value of the goods subject to retention of title sold in each case. In the event of the sale of goods in which we have a co-ownership interest in accordance with subparagraph (b), the assignment of the claim in the amount of these co-ownership shares shall apply.

h) The customer shall be entitled to collect claims from the sale pursuant to sub-paragraphs e) and f) until revoked by us. We shall have the right of revocation in the cases mentioned in section 2 if the customer is in default of payment, if an application for the opening of insolvency proceedings has been filed or if payments have been suspended. In such cases, the customer is obliged to inform us immediately of the assigned claims and their debtors, to provide us with all information necessary for collection, to hand over the corresponding documents and to inform the debtors of the assignment. The customer is not entitled to assign the claims under any circumstances.

i) If the value of the existing securities exceeds the secured claims by more than 20 % in total, we are obliged to release securities of our choice. The customer must inform us immediately of any seizure or other impairments by third parties.

10 Liability for material defects

a) We shall be liable for the flawless manufacture of the parts supplied by us in accordance with the agreed technical delivery specifications. In particular with regard to the intended purpose of use, the customer shall bear the responsibility for proper construction in compliance with any safety regulations, selection of the material and the required testing procedures, correctness and completeness of the technical delivery specifications and the technical documents and drawings handed over to us, as well as for the execution of the provided production equipment, even if we propose changes which are approved by him. Furthermore, the customer shall be responsible for ensuring that no property rights or other rights of third parties are infringed on the basis of his information. Decisive for the contractual condition of the goods is the time of transfer of risk.

b) We shall not be liable for only insignificant deviations from the agreed condition, only insignificant impairment of usability and for defects caused by unsuitable or improper use, faulty assembly or commissioning and normal wear and tear. If the Purchaser or third parties carry out improper modifications or repair work, we shall likewise not be liable for these and the resulting consequences.

c) The Purchaser shall notify us in writing of any material defects immediately after receipt of the goods at the place of destination, and of any hidden defects immediately after discovery of the defect.

d) In the case of an agreed acceptance or initial sample inspection in accordance with Section 6, notification of defects which could have been detected in this context shall be excluded.

e) We shall be given the opportunity to ascertain the notified defect. In urgent cases of endangering operational safety or to avert disproportionately large damage to the customer, we shall be obliged to detect the defect immediately. Complained goods shall be returned to us immediately upon request. If the customer does not fulfil these obligations or makes changes to the goods that have already been rejected without our consent, he loses any rights due to material defects.

f) In the event of a justified, timely notification of defects, we shall, at our discretion, either repair the rejected goods or deliver a faultless replacement (subsequent performance).

g) If we do not comply with our warranty obligations or if we fail to do so within a reasonable period of time or if the rectification of defects remains unsuccessful at first, the customer may set a final deadline in writing within which we must fulfil our obligations. It is not necessary to set a deadline if it would be unreasonable for the customer. After this period has expired unsuccessfully, the customer may, at his discretion, demand a price reduction, withdraw from the contract or have the necessary rectification of defects carried out by himself or by a third party at our expense and risk. If the rectification of defects has been successfully carried out by the customer or a third party, all claims of the customer shall be compensated with reimbursement of the necessary costs incurred by him.

h) Claims on the part of the customer due to the expenses necessary for the purpose of subsequent performance resulting from the fact that the goods are transported to another place after delivery shall be excluded insofar as they increase the expenses, unless the shipment corresponds to the intended use.

i) The Purchaser's statutory rights of recourse against us shall only exist insofar as the Purchaser has not entered into any agreements with his customer that go beyond the statutory claims for defects.

j) Further claims of the customer are excluded in accordance with Clause 13.

k) The proof of a defect is incumbent on the customer.

11. order-related production equipment, parts to be cast in

a) Order-related production facilities such as models, templates, core boxes, moulds, casting tools, fixtures and control gauges provided by the customer shall be sent to us free of charge. The conformity of the production facilities provided by the customer with the contractual specifications or drawings or samples handed over to us shall only be checked by us on the basis of express agreements. We are entitled to change production equipment provided by the customer if this appears necessary for casting reasons and the workpiece is not changed as a result.

b) The costs for the modification, maintenance and replacement of its production facilities shall be borne by the customer.

c) The production facilities are handled and stored by us with the care that we use in our own affairs. We shall not be liable for accidental destruction or deterioration of the production equipment. We are not obliged to take out insurance.

d) Ownership of the order-related production equipment, which we produce or procure on behalf of the customer, shall pass to the customer upon payment of the agreed price or share of costs, which shall be subject to agreement between the contracting parties. The handover of the facilities will be replaced by our obligation to keep records. The furnishings are kept by us for a period of 3 years after the last casting. We may return the customer's production facilities no longer required by us at the customer's expense and risk or, if the customer fails to comply with our request for collection within a reasonable period of time, we may store them at the customer's usual costs and destroy them after setting a reasonable deadline and warning at the customer's expense. The custody relationship may be terminated by the customer at the earliest two years after the transfer of ownership, unless there is an important reason for termination. Item 11, letter. (c) shall apply mutatis mutandis.

e) The Purchaser may only assert claims based on copyright or industrial property rights to the extent that he draws our attention to the existence of such rights and expressly reserves them.

f) If the use of a single-use production facility results in rejects, the customer must either provide a new production facility or bear the costs of the replacement facility.

g) Parts to be cast in by us must be delivered by the customer in perfect condition and true to size. Parts which become unusable due to rejects shall be replaced by the customer free of charge.

12 Confidentiality

a) Each contracting party shall use all documents (including samples, models and data) and knowledge obtained from the business relationship only for the jointly pursued purposes and shall keep them secret from third parties with the same care and attention as their own documents and knowledge if the other contracting party designates them as confidential or has an obvious interest in keeping them confidential.

b) This obligation begins from the first receipt of the documents or knowledge and ends 36 months after the end of the business relationship.

13 General limitation of liability

a) Insofar as nothing to the contrary is stated below, any other and more far-reaching claims of the customer against us, irrespective of their legal basis, are excluded, in particular due to breach of obligations arising from the contractual obligation and from tort.

b) This limitation of liability does not apply in cases of mandatory liability, e. g. according to the Product Liability Act, in cases of intent, gross negligence on the part of legal representatives or executive staff, or culpable breach of essential contractual obligations. In the event of a culpable breach of essential contractual obligations, we shall only be liable - except in cases of intent or gross negligence on the part of our legal representatives or executive employees - for the contractually typical, reasonably foreseeable damage. It shall also not apply to damages resulting from injury to life, limb or health and in the absence of a guaranteed quality, if and to the extent that the purpose of the guarantee is precisely to protect the customer against damages which have not occurred on the delivered goods themselves.

c) Insofar as our liability is excluded or limited, this shall also apply to the personal liability of our employees, workers, employees, legal representatives and vicarious agents.

d) Claims for damages and material defects, which the customer is entitled to against us, become statute-barred one year after delivery of the goods to the customer. This does not apply if the law prescribes longer periods in §§ 438 para. 1 No. 2 (buildings and objects normally used in buildings) and 479 para. 1 (recourse claims) of the German Civil Code (BGB) as well as in cases of injury to life, limb or health, in case of an intentional or grossly negligent breach of duty by the supplier and in case of fraudulent concealment of a defect. The statutory provisions on suspension of expiry, suspension and restart of the time limits shall remain unaffected. In the case of claims for damages under the Product Liability Act, the statutory provisions of the statute of limitations shall apply. The statutory statute of limitations shall also apply in the event of intentional and grossly negligent breaches of duty.

14 Place of Performance and Jurisdiction

a) If the customer is a merchant, the place of jurisdiction is Aue. However, we are also entitled to sue the customer at the court of his registered office.

b) Unless otherwise specified in the order confirmation, the place of performance for our services shall be the place of our delivery plant. The place of performance for payment obligations is Aue.

15 Applicable law

The legal relations between the parties shall be governed exclusively by German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods (UNCITRAL/CISG).

16. partial invalidity

Should individual provisions of these Terms and Conditions of Delivery and Payment be invalid or void in whole or in part, the contracting parties undertake to agree to a provision which largely achieves the purpose and purpose of the invalid or void provision.

17. partnership clause

For all compensation payments, in particular for the amount of damages, the economic circumstances of the contracting parties, the type, scope and duration of the business relationship as well as the value of the goods should also be taken into account in good faith