

General Terms of Payment and Delivery Georgsmarienhütte GmbH

1. Scope of application, general provisions

1. These General Terms of Payment and Delivery (hereinafter referred to as the "Terms") shall apply exclusively for all current and future sales and deliveries of goods by Georgsmarienhütte GmbH (hereinafter referred to as "GMH"). Divergent and/or supplementary General Terms and Conditions of the Buyer shall not apply vis-à-vis GMH, unless GMH expressly accepts such General Terms and Conditions. This shall apply even if GMH does not expressly reject such General Terms and Conditions or performs its contractual obligations without reservation.
2. These terms only apply vis-à-vis companies within the meaning of § 310 para. of the German Civil Code (BGB).
3. The document of which these Terms are a part contains all contractual provisions agreed with the Buyer, in writing. The employees, commercial agents or other sales agents of GMH are not authorized to enter into supplementary agreements or give representations or guarantees which go further than the written agreement.
4. In case of doubt regarding the interpretation of commercial terms, Incoterms®, as amended from time to time, shall be definitive.
5. Fax and email satisfy the written form requirement.
6. In case of doubt, the German version of these Terms shall be definitive.

2. Offer, conclusion of the contract, grade and quality of the goods

1. All offers by GMH shall be non-binding. They are merely an invitation to the Buyer to make an offer.
2. If the Buyer's order qualifies as an offer in accordance with § 145 BGB, GMH shall be entitled to accept it within two weeks.
3. Public pronouncements by GMH, the manufacturer of the delivered goods or its agents, in particular those made in advertising or through labelling, shall not be considered a description of the grade and quality of the goods or a guarantee of such.
4. Should the Buyer intend for the ordered goods to be suitable for other than the normal purposes or should the Buyer presume that the goods are suitable for some specific use or that the goods are of a specific grade or quality or should the Buyer intend to use the goods for any unusual purpose, to process uncommon materials, to put higher demands on the goods or use them in a fashion that involves special risk to life, limb, health or the environment, or if compliance with special regulations is required, the Buyer shall inform GMH in writing of such expectations or circumstances before the conclusion of the contract.

3. Prices, costs of carrying out the contract, VAT

1. The prices indicated in the order confirmation shall apply. All prices are "ex works", excluding packaging and plus any statutory VAT applying on the date of the invoice. Cash discounts require a separate written agreement.
2. Should GMH incur additional costs after the conclusion of the contract and before delivery, such as increased material or labour costs, official charges or other costs for which GMH is not answerable, GMH shall be entitled to adjust the prices accordingly. GMH shall act

similarly in case of lower costs. At the request of the Buyer, GMH will provide evidence of both higher and lower costs.

3. Should the parties agree an acceptance inspection/materials testing, it shall be carried out at GMH's factory before the goods are made available by GMH. The Buyer shall bear the personal and material expenses of any acceptance inspection.

4. For deliveries to other EU member states, the Buyer shall inform GMH of the VAT ID number used for the taxation of his acquisitions within the EU prior to the delivery. Otherwise, the Buyer shall pay GMH the statutory VAT in addition to the agreed price for the delivery.

4. Payment terms

1. The Buyer shall pay the purchase price no later than the 15th day of the month following the delivery, without deductions; after this date the Buyer shall be considered in default under § 286 para. 2 no. 2 BGB. The statutory rules governing the consequences of payment default shall apply.

2. Should the Buyer fail to meet his payment obligations, GMH shall be entitled to refuse performance in whole or in part until the amounts due are paid or security is provided. GMH reserves the right to demand payment in advance from new customers and customers in arrears with other payments to GMH.

3. If the financial situation of the Buyer deteriorates materially after the conclusion of the contract, putting payment of the purchase price at risk (this includes, but is not limited to, suspension of payments by the Buyer or the filing of an application to open insolvency proceedings against the assets of the Buyer), GMH shall be entitled to refuse delivery until the purchase price is paid or security is provided. GMH shall be entitled to withdraw from the contract if the Buyer fails to pay or provide security within a reasonable time limit.

4. If the contract provides for security for the payment by way of letter of credit, guarantee, bond or any other security, the Buyer shall obtain such security in the agreed form, by the agreed deadline and deliver it to GMH. Under no circumstances shall GMH be required to render performance under the contract, until the agreed security for payment is provided.

5. The Buyer may only set-off his counterclaims against claims by GMH if such counterclaims are undisputed or have been accepted by GMH or if they have been confirmed by final and absolute judgment. The Buyer may only exercise a right of retention if his counterclaim arises from the same contractual relationship.

6. If GMH has more than one due claim against the Buyer, GMH reserves the right to apply any payment, instalment or deposit to the debt offering the least security, or the oldest among several debts which are equally secure, and pro rata to all debts of the same age.

7. Any agreed cash discount shall always apply only to the invoice amount excluding shipping and other ancillary charges (packaging, insurance, etc.). The discount shall only apply if all due claims by GMH have been settled at the time the discount is applied. Discount deadlines shall commence with the invoice date.

8. The Buyer shall not be entitled to assign rights or claims under this contract to third parties without the prior consent of GMH.

5. Delivery, default in delivery

1. All deliveries are "ex works" Georgsmarienhütte, Neue Hüttenstraße 1 (EXW) in accordance with Incoterms®.

2. Times and dates, in particular delivery dates or deadlines given by GMH, shall not be binding unless they are expressly agreed as such by GMH. To meet delivery deadlines or delivery dates, the placing of the goods at the disposal of the Buyer at the supplier's premises shall be definitive. GMH shall not be required to meet confirmed delivery deadlines, if information, final product specifications or contributory acts on the part of the Buyer, in particular providing security for payment, supplying domestic or foreign certification or import licenses necessary for dispatch or delivery of the goods, have not been provided within the agreed time limits or in a timely fashion prior to delivery. The defence of non-performance of the contract ("*Einrede des nichterfüllten Vertrages*") is reserved.
3. Should circumstances prevent delivery, the delivery periods shall be extended appropriately, unless GMH is answerable therefor. This shall apply, in particular, to disruptions in the power supply or traffic, impositions of embargos, interruptions of operations, labour disputes or failure or delays of supplies to GMH. GMH shall inform the Buyer immediately of any such circumstances.
4. If GMH fails to meet binding delivery deadlines, the Buyer may only exercise his statutory rights after a reasonable grace period of at least 4 weeks. The Buyer shall only be entitled to rights and claims regarding default if GMH is answerable for such default.
5. Should the Buyer fail to accept delivery in accordance with the contract in a timely fashion or should he commit a culpable breach of any other cooperation obligations, GMH shall be entitled to compensation for the resultant damage, including any additional expenses (e.g. storage). Furthermore, GMH shall be entitled to store the goods at the risk of the Buyer. GMH reserves any additional rights and claims.
6. If the requirements of para. 5 are met, the risk of accidental loss, destruction or deterioration of the goods shall pass to the Buyer at the time he is in default.
7. Should the Buyer fail to accept delivery within a reasonable grace period, GMH shall be entitled to sell the goods to another buyer and charge the Buyer minimum damages amounting to 20% of the purchase price. The Buyer shall be entitled to provide evidence of lower damage.
8. Should the Buyer suffer loss or damage due to a delay in delivery for which GMH is answerable, the statutory provisions shall apply. If GMH is obligated to pay compensation under such provisions, this shall be limited to a maximum of 0.5% of that part of the total delivery, for every full week of such delay, which, due to the delay, cannot be used in a timely fashion or for the contractually agreed use. The total compensation shall not exceed 5% of the value of the total delivery. Claims for compensation beyond those mentioned are excluded. To the extent that GMH is culpable of intent or gross negligence, or if the contract involves a transaction for delivery by a fixed date within the meaning of § 286 para. 2 no. 4 BGB or § 376 of the German Commercial Code (HGB) ("*Fixgeschäft*"), or to the extent that the default in delivery for which GMH is answerable represents a culpable breach of an essential contractual obligation, the above limitations shall not apply. In such cases, unless GMH is culpable of an intentional breach of contract, its liability for compensation shall be limited to the typical, foreseeable damage. In other respects, the right of the Buyer to withdraw from the contract after the fruitless expiration of a grace period granted to GMH shall remain unaffected.
9. GMH shall be entitled to make partial deliveries, unless partial performance of the contract is not reasonably acceptable to the Buyer. Partial deliveries may be invoiced separately.

6. Grade, quality, dimensions and weight

1. Grade, quality, dimensions, as well as other characteristics of the goods shall comply with the DIN and EN standards agreed in the contract; if no such agreement exists, the DIN and EN standards in force on the date of the conclusion of the contract shall apply. If no such standards exist, the quality, variety and dimensions of the goods shall comply with trade custom and general practice. References to standards and similar regulations, work's test certificates and other certifications, as well as statements regarding quality, grade, weight, dimensions or usability of the goods do not represent a warranty or guarantee with respect to the characteristics of the goods.

2. Deviations in the dimensions, weight and quality of the goods are permissible under the regulation set out under para. 1 or in accordance with prevailing custom. The weights will be established by means of GMH's calibrated scales, and shall be definitive for the billing. Proof of weight will be provided by presentation of the weight log. Unless individual weighing of the items is customary, the total weight of the consignment shall be definitive.

7. Packaging, packaging costs, transport

1. To the extent customary, GMH shall deliver the goods packaged and protected against corrosion. GMH reserves the right to choose the packaging. The costs for packaging, transport, payments, customs duties, import, export or transit will be billed separately to the Buyer.

2. The Buyer shall inform the transport company immediately of any damage sustained by the goods in transit and arrange for the persons responsible for such matters to prepare a factual record. Goods will only be insured against damages sustained in transit upon the Buyer's special written order. The Buyer will be billed separately for the costs of such insurance.

3. The Buyer shall be responsible for loading and unloading the goods. If GMH provides the Buyer with wagons or unit loads, the Buyer shall return such to GMH complete, fully emptied and properly cleaned in accordance with regulations.

8. Liability for defects

1. Upon receipt, the Buyer must examine the goods without delay and notify GMH in writing of any defects without delay. Should the Buyer fail to notify GMH, the goods shall be deemed accepted, unless the defect could not be detected at the time of the examination. If such a defect is discovered later, GMH must be notified without delay, failing which the goods shall be considered accepted, even with regard to such defect.

2. Should the delivered goods be defective, GMH shall, at its option, remedy the defect or deliver non-defective goods (subsequent performance, "*Nacherfüllung*"). Should the subsequent performance fail or not be reasonably acceptable to the Buyer, the Buyer shall be entitled to reduce the purchase price ("*Minderung*") or withdraw from the contract ("*Rücktritt*"). With the exception of his claims under Article 9 (Liability), the Buyer shall have no further claims. The claims of the Buyer pursuant to §§ 478, 479 BGB (recourse within the supply chain) shall remain unaffected.

3. The Buyer is obligated to give GMH sufficient time and opportunity to remedy defects. Upon GMH's request, the Buyer shall make the goods giving rise to objections, or samples thereof, available for inspection purposes. Should the Buyer refuse to make the goods or the samples available despite such request being reasonable, GMH shall not be liable for defects.

4. If the parties have agreed to acceptance/materials testing, any defects which could have been identified during such acceptance inspection/material testing shall be excluded from the liability for defects.

5. The warranty period ("*Verjährungsfrist für Mängelansprüche*") shall be 12 months from the transfer of risk. This does not apply if the goods causing the defect are commonly used for the construction of a building.

6. For goods sold as downgraded (e.g. so-called II (A) material), the Buyer shall have no claims with respect to the stated defects or with respect to such defects as could normally be expected.

9. Liability

1. GMH shall only be liable for compensation, if

(a) such liability is mandatory under the applicable law; e.g. pursuant to the German Product Liability Act (ProdHaftG) or in cases of harm to life, limb or health;

(b) if GMH has issued a guarantee ("*Garantie*"),

(c) GMH has culpably breached an essential contractual obligation ("*Kardinalpflicht*"); or

(d) GMH caused the damage by gross negligence or intentionally.

2. In all other cases, GMH shall not be liable for compensation, regardless of the legal grounds.

3. Should the Buyer be entitled to compensation due to a negligent breach of duty, the compensation shall be limited to the damage which could or should have reasonably been foreseen by GMH at the conclusion of the contract, based on the facts and information accessible to it. This limitation shall not apply in cases under para. 1, subparagraph (a) and (b) of this Article 9 (Liability).

4. The disclaimer and/or limitation of liability included in the above paragraphs shall also apply to the personal liability of the employees of GMH and the agents employed by GMH in the performance of its contractual obligations.

5. The disclaimer and/or the limitation of liability shall also apply if the Buyer demands compensation for fruitless expenditures ("*Schaden statt der Leistung*") instead of damages in lieu of performance ("*Ersatz nutzloser Aufwendungen*").

10. Force majeure

Notwithstanding the provisions of Article 9 (Liability), GMH shall not be responsible or liable for any interruption or delay in the performance of any part of this contract due to events for which GMH is not answerable, including strikes or labour disputes. Should such events continue for more than 30 days, GMH and the Buyer shall be entitled to withdraw from the contract with immediate effect by a declaration of withdrawal to the other party, without this giving rise to any claims for the compensation for any damages or losses.

11. Retention of title

1. GMH shall retain ownership of the delivered goods (the reserved goods, "*Vorbehaltsware*") until all current and future claims arising from the business relationship with the Buyer are settled.

2. If the goods are processed, this shall always be undertaken on behalf of GMH as producer, but without giving rise to any obligations for GMH. Should GMH lose its title due to

such processing, GMH shall acquire (co-)ownership of the uniform thing in accordance with the relationship of the value of the delivered goods to the co-processed things at the time of the processing. Should the Buyer acquire sole ownership due to combination or intermixture (“*Verbindung oder Vermischung*”), he shall grant GMH co-ownership in accordance with the relationship of the value the delivered items to the other combined or intermixed items at the time of the processing. The Buyer shall keep the (co-)owned thing safe for GMH. If the goods are in the possession of a third party, the Buyer hereby assigns the claim for the return of property against such third party to GMH. GMH hereby accepts this assignment. (Co-)ownership acquired by GMH pursuant to these provisions shall pass to the Buyer under the same conditions as the goods delivered by GMH.

3. The Buyer may sell the reserved goods in the normal course of business. The Buyer hereby assigns to GMH all current and future claims of the invoice amount (including VAT) accruing to him from the onward sale of the goods. GMH hereby accepts this assignment. The Buyer continues to remain entitled to collect such debts, even after the assignment. The right of GMH to collect such debts itself is not affected by this. GMH shall refrain from collecting such debts as long as the Buyer complies with his payment obligations out of the proceeds, is not in arrears in payment and has, in particular, not suspended payment of his debts and is not the subject of an application to open insolvency proceedings.

4. As security for the claims against him, the Buyer also assigns to GMH the Buyer’s claims against a third party arising from the combining of the goods with a plot of land.

5. Any other realization of the value of the reserved goods by the Buyer is prohibited. In particular, the Buyer may not pledge or transfer ownership of such goods as security. Claims assigned to GMH may only be pledged or assigned as security to third parties with the prior approval of GMH.

6. The Buyer shall inform GMH without delay, in writing, of any interference with, or attachment of, the reserved goods by third parties. The Buyer shall bear any costs necessary for the protection of GMH’s rights, to the extent that such costs cannot be recouped from the third party.

7. Should the Buyer violate an essential contractual obligation (this includes, but is not limited to, payment default), GMH shall be entitled to repossess the reserved goods at the Buyer’s expense, or to demand that the Buyer assign any rights of possession against third parties to GMH. GMH shall be furthermore entitled to revoke the resale right of the Buyer and any authority to collect, and shall be entitled to collect the debts, use, exploit, realize or sell the reserved goods. Should GMH take back or sell the reserved goods, this shall not constitute withdrawal from the contract. GMH may apply the proceeds realized from the reserved goods to the open claims. Should the realized proceeds be below the purchase price, the Buyer shall be liable for the loss.

8. If the value of the existing security exceeds the total secured claims by more than 20%, GMH shall release the security upon request of the Buyer at the option of GMH.

9. Should GMH be entitled to repossess the reserved goods, the Buyer shall grant GMH and its agents irrevocable access to his business premises during normal business hours and permit the removal of the goods.

12. Call-off contracts (“*Abrufverträge*”)

1. Call-off contracts and their term require a written agreement. Unless otherwise agreed, the term of call-off contracts is limited to 12 months from their conclusion. If the goods are not

ordered within these 12 months or the agreed term, as the case may be, from the 13th month or after the lapse of the agreed term, as the case may be, GMH shall be entitled to demand storage charges amounting to 10% of the net value of the goods stored on behalf of the Buyer, for each full or partial calendar month, plus the statutory VAT applying on the invoice date. Furthermore, the agreed payment for goods which were not ordered becomes due upon expiration of the term. GMH reserves the right to claim additional compensation.

2. The Buyer shall be obligated to accept any remaining unordered call-off goods, single piece, which are still in stock. If the Buyer fails to accept the goods, GMH will demand that, within two weeks, the Buyer accepts the goods and pays the agreed remuneration. If the Buyer fails to accept and pay the goods by the deadline, GMH shall be entitled to realize the value of the remaining goods and demand compensation, setting off any such proceeds.

3. Unless otherwise agreed, the Buyer shall order approximately similar quantities of goods each month. The orders must be placed at least 15 days before the desired delivery date. Should timely orders determining the desired quantity not be placed, GMH shall be entitled to make such determination at its reasonable discretion.

4. If the individual orders exceed the total contracted quantity, GMH shall be entitled, but not obligated, to supply the surplus. The price charged for the surplus shall be based on the price list applicable at the time of the call-off.

5. If the Buyer is already in default with payments to GMH, GMH shall only be obligated to comply with call-offs against prepayment or the provision of security.

13. Proof of export

If a Buyer or his agent collects and transports or sends the goods to a non-EU-country, the Buyer shall provide GMH with the proof of export required for tax purposes. If such proof is not provided, the Buyer shall pay VAT on the invoice amount at the rate applicable to supplies within the Federal Republic of Germany.

14. Applicable law, place of jurisdiction, place of performance

1. This contractual relationship shall be governed by the law of the Federal Republic of Germany. The United Nations Convention on the International Sale of Goods (CISG) shall not apply.

2. Osnabrück shall be the place of exclusive jurisdiction for any disputes arising from or in connection with this contract. Regardless of this agreement on jurisdiction, GMH may also bring an action against the Buyer at his place of business.

3. Unless otherwise stipulated in the order confirmation, the place of business of GMH shall also be the place of performance.

15. Set-off, group set-off clause

1. GMH shall be entitled to set off all of its claims against the Buyer against all claims the Buyer may have against companies in which the Georgsmarienhütte Holding GmbH holds a majority interest, directly or indirectly, regardless of the legal basis of such claims.

2. The circle of companies within in the meaning of paragraph above in which the Georgsmarienhütte Holding GmbH currently holds a majority interest, directly or indirectly, can be seen on the Internet under www.georgsmarienhuetten-holding.de. Upon request, the Buyer will be furnished with information regarding the circle of companies within the meaning of the above paragraph at any time.