

General Terms and Conditions

§ 1 General definitions

- 1.1 In the following General Terms and Conditions (hereafter: GTCs) MEA Metal Applications GmbH will be denoted by the term "User". The contractual partner of the User is denoted as the "Customer", and the contractual relationship to be concluded, inclusive of all ancillary performances, advice and information, is denoted as the "contract".
- 1.2 The subject of the contractual obligations of the User, in so far as these are directed at the sale and supply of items, is the "supply". In each instance, "performances" relate to the performances to the Customer named in the user's contract and/or order confirmation, irrespective of whether they are rendered in connection with the supply of products or not in connection with them.

§ 2 Validity of terms and conditions

- 2.1 The supplies/performances and offers of the User are subject exclusively to these GTCs. These will also apply to all future business dealings, even if the GTCs are not expressly agreed again. Any counter-confirmations on the part of the Customer with reference to his commercial and/or purchase terms and conditions are herewith rejected.
- 2.2 All agreements made between the User and the Customer for the execution of the contract must be in writing. Amendments and additions to the contract and/or its appendices as well as any waiver of the requirement for the written form must be submitted in writing. There will be no verbal subsidiary agreements.

§ 3 Offer – Offer documents – Scope of supply and performances

- 3.1 Offers by the User are non-binding. The documents, information and performance specifications forming part of the offer are approximate values as customary within this sector. The User is entitled to sell on the supply to a third party between the offer and acceptance. Orders by the Customer are only binding for the User if they were expressly confirmed in writing by the User or if the User has provided the supply/performance. A confirmed order may only be amended by the Customer with the User's written approval and allowing for any conditions the User may have imposed. This also applies to any changes to these General Terms and Conditions.
- 3.2 The supply and/or performance – insofar as the performance is aimed at achieving a specific commercial outcome or the creation of works – need only have the characteristic properties as stated in writing in the contract. These characteristic properties form the definitive description of the supply/performance. The User is entitled to change unilaterally the characteristic properties if this is done due to legal requirements or if it represents a technical improvement and the suitability for the use specified in the contract is not affected by this.
- 3.3 The conformity of Customer-provided materials and semi-finished products with the contractual specifications or submitted drawings and samples submitted will only be checked by the User after a written agreement with the Customer. The Customer is responsible for the correctness and completeness of the documents and information that he makes available to the User.
- 3.4 The User reserves all the rights without limitation, on any cost estimates, drawings, samples, specimens, diagrams or other documents ("documents") which it may make available to the Customer. The Customer is not entitled to make the documents themselves, nor their content, available to third parties without the prior written agreement of the User. On being requested to do so by the User, the Customer is obliged to release all documents immediately and in their entirety to the User if, in the normal course of business, they are no longer required by the Customer or an order placement by the Customer is ultimately not forthcoming.

§ 4 Prices and price components

- 4.1 The prices specified by the User are net prices – weighed ex works. Freight costs, value-added tax and other costs associated directly with the execution of the contract ("additional costs") are not included. Unless stated otherwise in the contract, all the User's price information is given in euro. Provided a respective agreement has been reached, the prices are made up of the basic price + metal surcharge (MTZ) + energy surcharge (EZ).
- 4.2 The Customer is only obliged to pay additional costs where these have actually been incurred and the User, at the request of the Customer, is able to furnish supporting evidence.
- 4.3 The price is the price stated by the User, or, where not stated in a particular case, the price given in the current price lists of the User at the time of the order. Should a substantial increase in material and manufacturing costs have occurred, a change in suppliers be necessary, or exchange rate fluctuations, currency regulations, customs changes have occurred between the time of ordering and the time of supply/performance that is beyond the control of the User and which will entail substantial financial costs for the User, then the User, after having notified the Customer in good time and before the supply/performance provision, is entitled to raise the agreed price by an appropriate amount. Where a price increase of over 10% takes place, the Customer is entitled to terminate the contract, unless the price adjustment (e.g. a change to the MTZ or EZ) was agreed in the order.
- 4.4 If the User, as a gesture of goodwill and without acknowledging any legal obligation, takes back a supply, then the User is entitled to compensation for costs in the amount of 10% of the invoice value for the respective supply. The amount must be reduced if the Customer can prove that the actual cost must be applied at a lower rate than the flat rate given in sentence 1.

§ 5 Terms of payment

- 5.1 The Customer must pay for the supplies/performances of the User after their provision within 30 days of the date of the invoice and without any deductions. If and while no accounts receivable from the Customer to the User from previous supplies/performances are outstanding, the User will grant the Customer a 2% discount on the net value of the goods upon payment within 14 days from the invoice date. The timeliness of the payment will depend upon the date of the payment receipt or unconditional credit to the User's account.

- 5.2 Payment must be made primarily in cash, or – if a cash payment is not possible – by a bank transfer to the User. The User is not obliged to accept payment by check or a bill of exchange; in each instance, the presentation of a cheque or bill of exchange may only be made on account of performance. Such a presentation shall not constitute the deferment of the account receivable. All costs associated with the encashment of a cheque or a bill of exchange will be chargeable to the Customer. If the Customer's payments are made by payment methods which the Customer has secured by discounting a bill of exchange, the payment claim shall be deemed to have been satisfied only once the bill of exchange has been honoured by the Customer.
- 5.3 Should the Customer not fulfil his payment obligations within the period specified in Paragraph 5.1 ("Payment delay"), the User is entitled to demand due date interest at 8% above the base interest rate applicable at the time, as most recently published in the Federal Gazette by the Federal Bank, from the payment deadline.
- 5.4 In the event of a delayed payment, the User is entitled to demand a one-off payment of 1% of the invoice value, but 50 euro as a minimum, as compensation for the resulting administration costs. The amount must be reduced if the Customer can prove that the actual cost must be applied at a lower rate than the flat rate given in sentence 1.
- 5.5 Should the Customer be in default with a payment obligation or should circumstances arise through which the financial standing of the Customer worsens or his credit worthiness is affected, all other accounts receivable from the Customer to User will become due immediately. In such a case, the User is entitled to withdraw from the contract and/or, after giving prior written notice to the Customer, to withhold further supplies/performances until full payment is made and/or there is a change in circumstances as per sentence 1.
- 5.6 Provided it is permitted by law, the Customer may only offset the User's claims for payment with undisputed, legally-enforceable counter-claims for payment, or counter-claims that are ready for a decision. The same applies to an assertion of the right of retention, including the rights stemming from § 369 of the German Commercial Code.
- 5.7 Where material reasons are present, and in deviation from Paragraph 5.1, the User may also demand payment before provision of the supply/performance. Paragraph 5.3 and Paragraph 5.4 shall not apply to payments before provision of the supply/performance.

§ 6 Terms of delivery, deliveries, risk of loss

- 6.1 Supply/performance dates or deadlines may be agreed as either being binding or non-binding.
- 6.2 An agreement concerning delivery or performance times will only be binding if this has been declared expressly and in writing by the User.
- 6.3 Supply and performance delays attributable to force majeure or events that make the supply/performance not just considerably more difficult or impossible temporarily for the User – such events include, in particular, strikes, lock-outs and government regulations, even if they occur with the User's suppliers or their sub-suppliers – are not the responsibility of the User, even in the case of bindingly agreed dates and deadlines. They entitle the User to delay the supply/performance by the duration of the disruption, plus an appropriate ramp-up time, or, in the case of the impossibility of the supply/performance because of the part of the contract not yet performed, to withdraw fully or partially from the contract if the User has taken all reasonable measures to redress the impairment in contract performance. Sentences 1 and 2 apply accordingly in the case of delays in supply or performance attributable to documents and information, which the User considers as necessary for the supply/performance, but which have not been made available in good time by the Customer to the User ahead of the supply/performance.
- 6.4 If the delay in supply/performance exceeds one month, the Customer is entitled, after the setting of a reasonable time limit, to withdraw from the not-yet-fulfilled part of the contract.
- 6.5 Where the User is responsible for the non-adherence to bindingly agreed time periods and fixed dates and is in default, the Customer may claim delay compensation at a rate of 0.5% of the invoice value for the respective supply/performance for every full week of the delay, however up to a maximum of 5% of the invoice value for the respective supply/performance. The amount must be reduced if the User can prove that the actual damages must be assessed at a lower rate than the flat rate given in sentence 1. Any claims over and above this are excluded, unless the delay is deliberate or due to gross negligence on the part of the User.
- 6.6 The User is entitled to provide partial supplies or performances at any time, unless such partial supplies or performances are of no benefit to the Customer. The User has the right to transfer the rights and obligations from the contract to a third party, including the provision of the supply/performance.
- 6.7 If a supply/performance takes place in response to a call-forward from the Customer, the Customer is obliged, at least four weeks prior to the provision of the supply/performance, to notify the User in writing of the call-forward, giving a detailed description of the supply/performance and stating the supply/performance date.
- 6.8 The place of supply/performance is always the factory or the despatch warehouse of the User ("ex works"). If the goods are delivered ex works, the risk of loss is transferred to the Customer at the point in time at which the User advises the Customer that the goods are ready for collection.
- 6.9 If the goods are supplied free carrier (FCA), the place of transfer is the registered office of the User. Freight costs are to be borne by the Customer, unless the User is responsible for transport, contrary to Paragraph 4.1.
- 6.10 If the User dispatches the goods at the request of the Customer, the risk of transportation shall be borne by the Customer, irrespective of who bears the freight cost. This applies in particular to despatch or transport by the User, without a delivery obligation deemed as agreed with the Customer. Should despatch be delayed as a result of circumstances for which the Customer is responsible, the loss risk is transferred to the Customer from the day the goods are ready for despatch. Should the Customer default in acceptance, the loss risk is transferred to the Customer at the time at which the User offers to hand over supplies.

- 6.11 If the User bears the freight costs either in full or in part, the User retains the right to specify both the route of despatch and the mode of despatch. If the Customer requests a different route and/or mode of despatch and if the User conforms to this request, the Customer will bear the difference in costs between the route and/or mode of despatch requested by him and the route and/or mode of despatch specified by the User. Otherwise Paragraph 6.10 applies accordingly.
- 6.12 In the cases of Paragraph 6.10, the User will undertake storage at the Customer's risk and expense.
- 6.13 If supplies/performances take place delivery free site, the Customer must ensure usable access roads, i.e. roads which can be used by a loaded heavy tractor-trailer unit. Any possible delays, costs, damages and off-loading times will be borne by the Customer.

§ 7 Reservation of ownership

- 7.1 Until the full settlement of all accounts receivable (including all unsettled balances from any current account), which the User is entitled to from the Customer, presently or in the future, irrespective of the legal basis, the securities listed in the following paragraphs will be conferred to the User. The User will release these securities upon request at his discretion, provided their value effectively exceeds the total and the value of all accounts receivable by over 20%.
- 7.2 The User will remain the owner of all goods supplied. Any processing or reshaping will always be performed for the User as manufacturer, but without any obligation for the User. Should the User's ownership cease through an amalgamation of goods, it is now already agreed that the Customer's ownership of the unitary item will transfer, pro rata according to value (invoice value) to the User. The Customer will safeguard the User's property without remuneration. Goods to which the User is entitled to ownership will be designated hereinafter as "reserved-title goods".
- 7.3 The Customer has the right to process and sell the reserved-title goods as a part of regular business, as long as he is not in payment arrears with the User. Pledges or transfers of ownership by way of security are not permissible. The Customer assigns to the User in advance in full, by way of security, all accounts receivable with respect to the reserved-title goods (including all unsettled balances in any current account) which arise from a resale or any other legal grounds (insurance, prohibited action). The User authorises the Customer, subject to revocation, to collect on the User's account and in its name the accounts receivable assigned to the User. This collection authorisation may only be revoked if the Customer does not properly fulfil its payment obligations. On being requested to do so by the User, the Customer will disclose the assignment and give him the required details and information.
- 7.4 In the case of seizure of the reserved-title goods by third parties, the Customer will point out the User's ownership and advise him of this without delay. All costs and damages will be borne by the Customer.
- 7.5 Where the Customer acts in contravention of his obligations – in particular payment default – the User retains the right to take back the reserved-title goods or, if necessary, to demand assignment of the Customer's property repossession rights against third parties. The act of repossession and the act of seizure of the reserved-title goods by the User does not constitute a withdrawal from the contract.
- 7.6 If and as long as reserved-title goods are built into the premises of a third party as a substantial component by the Customer, then the Customer will already assign claims for receivables arising against the third party or against whomsoever it concerns, to the value of the reserved-title goods with all additional rights incl. such for the grant of a security mortgage; the User will accept such an assignment. The Customer is authorised to effect the registering of a security mortgage but is obliged, at the demand of the User, to transfer the rights to the User (cf. §§ 1153, 1154 Para. 3, 873, German Civil Code). Cash payments, bank transfers or payments by cheque, which are made against remittance of a bill of exchange, issued by the User and accepted by the Customer, are only valid as fulfillment in accordance with sentence 1, if the bill of exchange is redeemed by the drawee and thus the User is released from the liability on the bill of exchange. The agreed retention of ownership (irrespective of any continuing agreements) therefore remains in favour of the User until the bill of exchange is redeemed.

§ 8 Commercial patent rights and copyright

- 8.1 If and in so far as a third party asserts justified claims against the Customer due to the violation of an industrial property right or copyright (hereinafter known as "property rights") through a supply/performance developed and/or provided by the User, the User is liable as follows, as long as there are no opposing legal provisions:
- a) The User will at his discretion and at his expense either obtain a right of use for the developed and/or provided supply/performance, alter the supply/performance in such a way as to no longer be in violation of the property right, or exchange the supply/performance if the use of the supply/performance designated in the contract is not affected by this. If and in so far as the User cannot definitively grant to the Customer the contractually owed right of use through the measures named in sentence 1, the Customer has the right, after a reasonable time-scale, to withdraw from the Contract.
 - b) The User is only obligated to carry out the measures in a) sentence 1, if the Customer reports the claims being asserted by the third party to the User without delay in writing and with an indicative description of the infringement, does not concede the existence of an infringement and if the Customer grants without limitation to the User all decision making authorities with regard to the legal defence and the carrying out of settlement negotiations. Should the Customer cease to use the supply/performance to reduce the amount of damage or for other significant reasons, he is obliged to point out to the third party that the cessation of use does not constitute acknowledgement of infringement of a property right.
- 8.2 The Customer's entitlements according to Paragraph 8.1 are excluded if and in so far as the Customer is responsible for the property right infringement. The Customer's claims are further excluded if and in so far as the property right infringement is caused by the special requirements of the Customer, by a usage that the User was unable to foresee, or due to the fact that the supply/performance was altered or used by the Customer together with supplies/performances not provided by the User.
- 8.3 The Customer is obliged to support the User to the best of his ability in the defence against the property right infringement.

- 8.4 Conversely, the Customer exempts the User from all claims by third parties, which the latter may make against the User due to an infringement of an industrial property right or copyright, if the infringement results from a specific instruction of the Customer to the User or the Customer alters the supply/performance or integrates it into a third party's system.
- 8.5 Programmes and accompanying documentation made available by the User are only intended for the sole use of the Customer within the context of a simple, non-transferable licence, and exclusively for supplies/performances supplied by the User. The Customer may not make these programmes and this documentation accessible to third parties without the prior written agreement of the User, not even in the case of the User's hardware being sold on. Copies may only be made – without the User accepting any costs or liability – for archival purposes, as a replacement or for fault-finding. Where the originals carry a comment on the protection of copyright, this must be included by the Customer on the copies as well.

§ 9 Liability for quality defects, acceptance and testing

- 9.1 The User's liability for material defects for supplies – and for performances as long as the performance is aimed at achieving a specific commercial success or the construction of works – shall be governed by statutory provisions, unless a contrary arrangement below has been agreed.
- 9.2 Where the User has made a sample or a specimen available to the Customer prior to or after the conclusion of the contract, the condition of the samples and specimens may differ, unless another has been expressly agreed. Sentence 1 applies accordingly to drawings, depictions, dimensions, weights and other data which the User makes available to the Customer prior to or after the conclusion of the Contract.
- 9.3 Any material defect claims of the Customer will lapse 12 months after supply/performance. The period commences irrespective of whether the Customer knows of any defect in the supply/performance, from the time of hand-over to the Customer.
- 9.4 The Customer is obliged to inspect the supply/performance directly after hand-over. The Customer must advise the User immediately in writing of any obvious defects found during inspection of the supply/performance, and any other defects immediately after their discovery, giving a description of the defect and the time of its discovery. If the Customer does not conform properly and punctually to this obligation to disclose, the supply/performance is deemed to have been approved by the Customer. Initially, the Customer may only demand supplementary performance from the User. The User may, by way of supplementary performance, at his discretion undertake to repair the defect or supply a fault-free item. Should the supplementary performance by the User fail, legal rulings will apply, provided that the Customer only has the right to withdraw from the Contract, if and in so far as the goods have not yet been built in as an integral component part of a landed property. In this case the Customer is only entitled to reduce the purchase price. In the case of an insignificant fault, the right to supplementary performance is excluded.
- 9.5 In the case of an infringement of a supply/performance obligation by the User which does not consist of a defect in the supply/performance, the Customer is only entitled to withdraw from the contract if the User is responsible for the infringement of the supply/performance obligation. The User is not responsible for the supply/performance working fault-free in conjunction with other products.
- 9.6 In so far as there are no opposing statutory regulations, material defect claims by the User are excluded in the following cases:
- a) The Customer has had changes made to the supply/performance by a third party or has processed the supply/performance;
 - b) The Customer disregards the User's specific instructions for use in connection with the supply/performance, in particular the enclosed or attached processing and/or assembly instructions, or he uses accessories or spares unknown to the User in connection with the User's supplies/performances;
 - c) The Customer does not use the supply/performance for the contractually intended purpose and/or for the usual purpose, does not assemble it faultlessly or does not put the supply/performance into operation correctly, in the light of current scientific and technical knowledge;
- 9.7 If the supply/performance is defective, the Customer may, provided there are no opposing statutory regulations, only assert a claim for compensation for damages against the User under the following additional conditions:
- a) If and in so far as the User does not provide a supply/performance which is due, or does not provide it as required under the Contract, the Customer must set in writing for the User a reasonable time-limit for the supply/performance. The time-limit must include the explanation that the Customer will refuse to accept the supply/performance after expiry of the time-limit. If the time-limit set by the Customer expires with no outcome, the claim for the supply/performance is excluded.
 - b) If the Customer is asserting claims on account of a defect, the User is entitled to demand from the Customer that the latter should explain in writing to the User, within a period of 2 weeks from exercising the withdrawal, whether he is adhering to the withdrawal or whether instead he will demand compensation for damages. Should the Customer not exercise his right of choice vis-à-vis the User, the Customer's claim for compensation for damages will be excluded.
- 9.8 In so far as acceptance is agreed, the Customer is obliged to undertake this within one week after the User has advised of completion. The Customer is also obliged to accept the performance if insignificant defects are present which do not particularly prevent usage.
- 9.9 In case the Customer, for reasons for which he is responsible, does not accept the performance, or he accepts the performance and does not complain about any significant defects within ten days after usage, the performance is considered to have been accepted.
- 9.10 Fabrication and performance delivery by the User in connection with gratings shall take place in accordance with the guidelines of RAL-GZ 638 in the version that is valid when the contract is concluded. Unless otherwise agreed in writing, all inspections will take place in the factory of the User. An inspection in the presence of the Customer or his

representative must be separately agreed in writing between the parties and must take place no later than the date of acceptance at the factory of the User.

§ 10 Amount of damages

- 10.1 Irrespective of the legal basis, the User is liable for damages which can be traced back to a defect in the supply/performance itself or to a treatment or neglect, only to the extent of damage typical under such a contract and predictable damage, and only within the following limits:
- a) unlimited, in the case of intent or gross negligence by lawful representatives, an employee or other vicarious agents of the User;
 - b) limited to the invoice value of the performance, in the case of a culpable violation of significant contractual obligations (cardinal obligations) by the User, his lawful representative or other vicarious agents without intent or gross negligence.
- 10.2 The User is only liable for damages that can be traced back to the conduct of an employee or vicarious agent, if these persons have acted in the execution of their work. The User is also exempt from this liability if the damage is due to circumstances which, even with the greatest of care, he could not avoid and the consequences of which he could not avert (e.g. strike, force majeure).
- 10.3 The liability of the User is limited, per incidence of damage for risks insured by the User, to the liability total of the company liability insurance taken out by the User.
- 10.4 Any liability by the User for the loss of data and programmes and/or their recovery, is again restricted solely to the scope of Paragraph 10.1 and 10.2 and only to the extent that this loss could not have been avoided through reasonable preventative measures undertaken by the Customer, in particular the daily production of back-up copies of all data and "accuracy checks" programs.
- 10.5 Any additional liability on the part of the User is excluded, unless mandatory legal provisions stipulate otherwise. In particular, the User shall not be liable for violations of ancillary obligations, lack of economic success, lost profits, indirect damages, consequential damages and damages from claims by third parties against the Customer.
- 10.6 The limit of liability according to Paragraphs 10.1 to 10.5 does not apply to damages to body, life and health.

§ 11 Advertising, labelling

In the case of public statements by the manufacturer, the User, an employee or other agent on the characteristics of the performance or supply (e.g. weights, dimensions, utility values, load capacity, tolerances and technical data) in particular in advertising or in labelling, it is assumed that these statements were not causal in the signing of the contract by the Customer.

§ 12 Legal domicile, applicable law, severability clause

- 12.1 The Customer may not transfer the rights and obligations stemming from the contract with the User to third parties without prior written agreement of the User.
- 12.2 For any disputes arising from or in connection with the contract and the fulfillment thereof, the legal domicile is Aichach.
- 12.3 The law of the Federal Republic of Germany applies exclusively to all relationships between the Customer and the User. The application of the UN Agreement on the Purchase of Goods dated 11th April, 1980 is excluded.
- 12.4 Should one of the clauses in these General Terms and Conditions be or become invalid, unworkable or incomplete, this will not affect the validity of the remaining clauses. A clause will be deemed as agreed, in place of the invalid, unworkable or missing clause, which the parties would have reasonably agreed if they had been aware of the invalidity, unworkability or the incompleteness.