

## General sales, delivery and payment conditions

### I. Applicable conditions, contract conclusion, area of applicability

1. The following conditions apply exclusively for all orders. Contrary purchasing conditions have no legal validity, even if we do not expressly reject them. By placement of the order and / or acceptance of the delivery, the purchaser acknowledges our conditions.

2. Our conditions apply only to commercial entities in the sense of § 14 Para. 1 BGB (German Civil Code); they also apply for all future business with the purchaser resulting from the ongoing business relationship.

3. The order becomes binding for us on our written confirmation or start of fulfillment of the order. All agreements made between us and the purchaser for the purposes of fulfillment of this contract are laid down in writing in this contract.

### II. Quotation, cost estimate, prices, price amendment reservation

1. Our quotations and the prices and delivery facilities specified in our catalogues, printed matter, letters etc. are given without commitment; cost estimates are non-binding.

2. Our prices are given in Euro ex-works and subject to VAT at the applicable rate, and exclusive of packaging, freight, customs duties and insurance, which will be charged separately where applicable.

3. In the case of all orders – including call-off orders and successive delivery contracts – in which delivery, contractually or at the request of the purchaser, takes place longer than four months after placement of the order, we are entitled to pass on to the purchaser material and wage price increases occurring between the time of contract conclusion and the delivery, in order to compensate for such price increases.

### III. Dispatch, packaging, costs, transfer of risk

1. Dispatch takes place on the account and at the risk of the purchaser. Even in case of carriage-paid delivery, we are not liable for damage or losses during transport. Unless agreed otherwise, the method of packaging and dispatch will be at our discretion. The INCOTERMS 2000 apply for all trade clauses.

2. Packaging required by the customer or considered necessary by us must either be provided by the customer, or will be charged by us at cost price. In this case, 2/3 of the amount charged will be refunded if crates and wooden drums are returned carriage-paid and in good condition within 8 weeks. Special agreements are required for deliveries abroad.

3. If dispatch is delayed for reasons beyond our control, the risk is transferred to the purchaser on the date he is notified that the goods are ready for dispatch.

### IV. Payment terms and consequences of delay, reconciliation

1. Our claims are due for payment without further charges within 30 days of receipt of our invoice or equivalent document, and at the latest 30 days after becoming due and receipt of the goods or services in question. After such time, we will charge interest at a rate of 8 % p.a. above the relevant base interest rate. Costs for tooling models and manufacturing equipment as specified in Item X.2. must always be paid for in advance, unless agreed otherwise. We only grant settlement discount after prior agreement, and not before settlement of all other outstanding claims. Settlement discount periods run from the date of the invoice, or for deliveries abroad from receipt of the

goods; the date of receipt of payment is the relevant date for the observation of such periods.

2. In the case of cheques and foreign exchange, payment is only deemed to be made on redemption. Fees and charges must be paid by the purchaser.

3. Bills of exchange and cheques are only accepted for fulfillment purposes, and bills of exchange only by separate agreement. Irrespective of the term of accepted bills or any deferment granted, our claims become due for payment immediately if the purchaser fails to observe the payment conditions or circumstances become known which cast doubt on his creditworthiness. In such a case, we are further entitled to make deliveries only against advance payment or lodgement of security, or after an appropriate further period to withdraw from the contract and / or require compensation for damages.

4. Counter-claims by the purchaser may only be reconciled against our claims if such counter-claims are either undisputed or established in law.

5. For financing purposes, we are entitled to relinquish our claims resulting from deliveries and services.

### V. Delivery times and liability stipulations, acceptance obligations for general and call-off orders, returns

1. The delivery time begins as soon as all details of the order have been clarified, both parties agree on all conditions of the transaction and the purchaser has made any part-payment agreed. The delivery time is deemed to have been observed if by the end of such time the goods have left the works or the purchaser has been notified that they are ready for dispatch.

2. If delivery does not take place within the agreed time or within a subsequent period set by the purchaser for reasons which are our responsibility, the purchaser is entitled to withdraw from the contract with regard to the delivery ordered.

3. The following applies for claims for compensation for damages due to late fulfillment or non-fulfillment instead of the goods or services: If we are late in making the delivery for reasons of minor negligence only, the claim of the purchaser for compensation for confirmed damages due to delay is limited to 0.5% for every full week of delay, and a maximum of 5% of the invoice value of the order affected by the delay.

If the purchaser is entitled to require compensation for damages instead of the goods or services, we are liable for compensation for damages in the event of infringement of cardinal obligations of the contract in case of minor negligence, although any claims are limited to damages foreseeable at the time of contract conclusion, and a maximum of 50% of the value of the order.

4. In the case of call-off orders without any agreed duration, production batch sizes and acceptance times, we may, unless otherwise agreed in writing, and at the latest 3 months following the order confirmation, require a binding specification of such details. If the purchaser fails to comply with this request within 3 weeks, we are entitled to set a further period of two weeks, and at the end of such time to withdraw from the contract and claim compensation for damages.

5. If the purchaser requires necessary tests to be carried out by us, the type and extent of such tests must be agreed. If this is not done at the time of contract conclusion at the latest, any corresponding costs incurred must be borne by the purchaser.

6. If delivery is to be made according to a sample produced by us, the purchaser must inspect and approve this sample in our works immediately on notification of completion of the sample. If such approval is not given, despite setting of an appropriate subsequent period, for reasons which are the responsibility of the purchaser, we are entitled to dispatch the sample or to store it at the cost and risk of the purchaser; the sample is then deemed to have been approved.

7. Force majeure or other circumstances beyond our control (e.g. stoppages, strikes) which prevent the timely fulfillment of the order entitle us to postpone fulfillment of the obligations entered into appropriately or, if such circumstances make it impossible for us to fulfil the order, to withdraw partly or completely from the contract. The same applies if we do not receive, or do not receive in time, the material required and ordered from our subsidiary suppliers for reasons which are not our responsibility. An essential requirement for withdrawal is that we notify the purchaser immediately of such non-availability and immediately reimburse any corresponding services of the purchaser. Claims for compensation for damages of any sort are excluded.

8. We are entitled to make part-deliveries.

### VI. Dimensions, weights, delivery quantities

1. The DIN and EN standards apply for the observation of agreed dimensions. Weights are also stated in our quotations to the best of our knowledge and belief. These do not however constitute guarantees of assured properties. Unless agreed otherwise, minor deviations such as slightly increased or reduced weight typical in castings do not entitle the purchaser to regard the goods as faulty and lodge a complaint.

2. In the case of series production, and due to the special features of the manufacturing process, over- or under-deliveries of up to 10% of the order quantity are permissible.

### VII. Complaints, liability stipulations

1. Irrespective of the further existing examination and complaint obligations relating to a mutual transaction (§ 377 HGB (German Commercial Code)), the purchaser must examine the goods delivered for obvious faults, and notify us in writing of any such obvious faults – including incorrect or incomplete deliveries – within two weeks following receipt of the goods, and in the event of faults which only become apparent at a later time, within two weeks of the discovery of such faults; otherwise the goods are deemed to have been accepted with regard to the apparent fault, and the purchaser can claim no further rights against us.

Unless expressly agreed otherwise, all our specifications constitute only performance descriptions, and not guarantees.

In the event of justified complaints, we are obliged, at our discretion, to provide either free rectification of the goods delivered or supply replacement goods. If such rectification or replacement delivery proves unsuccessful after two attempts, or if we reject this without justification or delay it unreasonably, the purchaser is entitled at his discretion to require reduction of the price or, if the subject of the fault liability is not a building service, to cancel the contract.

If the purchaser unjustifiably claims the existence of a fault which is allegedly our responsibility, we are entitled to charge the purchaser for our costs incurred for the establishment and/or rectification of the fault.

2. Subject to the stipulations of Item VIII (Other liability), the following applies for claims for compensation for damages: In the event of infringement of cardinal obligations of the contract, we are liable, even in case of minor negligence, for compensation for damages instead of the services, although such claims are limited to reimbursement of the damages foreseeable at the time of conclusion of the contract, and a maximum of 50% of the value of the faulty goods, provided that such a fault has not been maliciously concealed by us or that we have not given an express guarantee regarding the properties of the goods.

3. Regress claims by the purchaser in the case of consumer goods sales (§ 478 BGB) by the purchaser to his direct or indirect customers are excluded with respect to agreements between the purchaser and his customers, which exceed the legal fault claims of the customers. The purchaser is obliged to notify us in good time of any such complaints by his customers, so that we, at our discretion, are in a position to fulfil the claims of the customer instead of the purchaser.

4. If selection samples are sent to the purchaser for testing, we are only liable for the fact that the delivery will be made in accordance with the selection sample, after taking into account any corrections.

5. Complaint claims do not exist if the fault is attributable to contravention of operating, maintenance or installation specifications, unsuitable or improper use, faulty or negligent treatment by the purchaser, natural wear or interference with the goods by the purchaser or third parties.

### VIII. Other liability (limitation and exclusion)

1. Apart from the late delivery and fault claims specified above, we have no further liability, unless such damages are caused by grossly negligent infringement of obligations on our part, or deliberate or grossly negligent infringement of obligations by our legal representatives or agents, or it is a matter either of damages due to injury to life, limb or health caused by grossly negligent infringement of obligations on our part, or deliberate or grossly negligent infringement of obligations by our legal representatives or agents, or such damages which normally and typically could be insured by us by means of a liability insurance policy at appropriate terms. This applies particularly to claims for compensation for damages arising from culpability before or on contract conclusion, infringement of subsidiary obligations and claims resulting from unauthorised actions.

2. Claims under the ProdHaftG (German product liability regulations) or resulting from a guarantee remain unaffected.

### IX. Limitation periods

1. Claims under VI. Item 1 and 2 are subject to a limitation period of one year from handover of the delivery to the purchaser.

2. Otherwise these claims lapse within the legal limitation period

- in the event of deliberate, malicious or grossly negligent infringement obligations by us, our legal representatives or agents;
- in the event of damages due to injury to life, limb or health caused by negligent infringement of obligations on our part, or deliberate or grossly negligent infringement of obligations by our legal representatives or agents;

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- o In the event of claims resulting from a guarantee for the properties of the goods;
- o in case of direct sale to a private consumer;
- o if we are obliged to reimburse the costs borne by the purchaser with regard to a private consumer and / or subsequent company in the delivery chain due to the sale of new goods for the purposes of subsequent fulfillment (§ 478 Para. 2 BGB);
- o if the goods delivered by us have been used for building works in accordance with their normal intended purpose and have caused such works to be faulty and the contractual relationship was not based on Part B of the "Verdingungsordnung für Bauleistungen" (German regulations for building services).

3. In all cases, the limitation period begins in accordance with legal regulations.

4. If we are liable in accordance with Item VII, because this is a matter of damages which normally and typically could be insured by us by means of a liability insurance policy at appropriate terms, the limitation period is 1 year.

### X. Proprietary rights, tools, models and drawings

1. If the purchaser provides us with models or production equipment (e.g. casting moulds), these must be sent to us free of charge. We may require that the purchaser takes back such equipment at any time. If he fails to comply with such a request within 3 months, we are entitled to send these back to him at his cost. The costs of maintenance and any required modifications must be borne by the purchaser. The purchaser is liable for the technically correct design and the production of the equipment suitable for the manufacturing purpose. We are however entitled to make modifications required for production reasons. Subject to any special agreement, we are not obliged to check the compliance of the equipment supplied with attached drawings or samples.

2. If models or manufacturing equipment are produced or procured by us at the request of the purchaser, the purchaser must reimburse us for the costs incurred. If the full costs are not charged, the purchaser is responsible for the residual costs if he fails to purchase the quantities envisaged at the time of contract conclusion. The models, manufacturing equipment and tools produced or procured by us remain our property; during the term of the contract, they will be used exclusively for deliveries to the purchaser. If 3 years have passed since the last delivery, we are no longer obliged to keep such materials. If it has been agreed that the purchaser will become the owner of the equipment, ownership is transferred to him on payment of the purchase price. The handover of the equipment will be replaced by our storage obligation. The safekeeping relationship can be cancelled by the purchaser at the earliest 2 years after the transfer of ownership, provided that no other agreements have been made.

3. All models and manufacturing equipment will be handled by us with the same care applied to our own property. At the request of the purchaser, we are obliged to insure his models and equipment at his cost. Claims for compensation for consequential damages due to damage, destruction or other infringement obligations to or in connection with such models and/or manufacturing equipment may only be made in accordance with these general delivery conditions. Any further claims are excluded.

4. If deliveries are made according to drawings or other specifications of the purchaser, and if proprietary rights of third parties are thereby infringed, the purchaser bears the responsibility for their correctness, and for the fact that they do not infringe the proprietary rights of third parties. Our drawings and documentation provided to the purchaser and our suggestions for the correct manufacture of cast components may not be passed on to third parties. We may also require their return at any time. License claims by the purchaser on the grounds of commercial proprietary rights to models and manufacturing equipment provided or produced or procured on his behalf are excluded, provided that these are used by us in accordance with the contract.

5. In the event of culpable infringement of proprietary rights of third parties on our part, we may at our discretion either at our cost acquire an adequate usage right for the agreed or intended usage and transfer this to the purchaser, or replace the goods delivered, provided that this does not impair the agreed or intended use of the goods delivered. If this is not possible for us, or if we reject subsequent fulfillment or this proves unsuccessful, the purchaser is entitled to all applicable legal claims and rights. For claims for compensation for damages and reimbursement of costs however, this only applies in accordance with the general delivery conditions, i.e. subject to the requirements of Item VIII.

### XI. Casting parts

Parts intended for casting must be supplied by the purchaser free of charge; these must be of the correct dimensions and ready for casting. Any processing costs required will be charged to the purchaser.

### XII. Reservation of ownership

1. We reserve ownership of the goods delivered (reserved goods) until full settlement of all claims against the purchaser arising from the business relationship, including future claims arising from contracts concluded simultaneously or at a later date. In the case of open account business, the reserved ownership and all rights apply as security for our full claims including interest and costs. The purchaser must notify us immediately in the event of seizure or other distraint by third parties.

2. The purchaser is entitled to process and resell the goods delivered in the normal course of business. This authorisation comes to an end if the purchaser falls into payment arrears, if the purchaser stops payment or application is made for institution of insolvency proceedings against his assets. He is obliged only to resell the reserved goods under the reservation of ownership, and to ensure that the claims resulting from the resale in accordance with 5. and 6. are transferred to us. The use of the reserved goods for the fulfillment of works and works delivery contracts also constitutes resale. The purchaser is not entitled to dispose of the reserved goods in any other way, in particular assignment or transfer as security.

Relinquishment of the claims resulting from the resale of the reserved goods is not permissible, except for relinquishment in the course of genuine factoring, which must be notified to us and in which the factoring proceeds exceed the value of our secured claims. Our claims become due immediately on credit of the factoring proceeds.

3. The purchaser does not acquire ownership of the new goods in accordance with § 950 BGB by processing of the reserved goods. Processing of the goods is carried out on our behalf, without this resulting in any commitment on our part.

The processed goods then become reserved goods.

4. In the event of processing or mixing of the goods with other goods, we acquire joint ownership of the new goods in the ratio of the invoice value of the reserved goods to the invoice value of the other goods used. If our property ceases to exist due to mixing or processing, the purchaser hereby transfers to us his rights of ownership to the resulting new goods to the extent of the invoice value of the reserved goods, and in the event of processing in the ratio of the invoice value of the reserved goods to the invoice value of the other goods used, and keeps these for us free of charge. Our joint ownership rights apply as reserved goods.

5. The purchaser hereby relinquishes in our favour his claims resulting from the resale of the reserved goods. These serve as security to the same extent as the reserved goods.

6. If the reserved goods are resold by the purchaser together with other goods, the claim resulting from the resale is relinquished in our favour in the ratio of the invoice value of the reserved goods to the invoice value of the other goods. In the event of resale of goods to which we have joint ownership as specified in Item 4., a proportion of the claim corresponding to our degree of joint ownership is relinquished in our favour.

7. At our request, the purchaser is obliged to provide us with a complete listing of his claims, with the names and addresses of the customers, to notify his customers of the relinquishment of the claims and to provide us with all information necessary to pursue such relinquished claims. The purchaser authorises us, as soon as he falls into arrears with payment or his financial circumstances deteriorate, to notify his customers of the relinquishment, and to collect payment of such claims ourselves. We may require inspection of the status of the relinquished claims by our representatives on the basis of the purchaser's accounts. The purchaser is obliged to provide us with a listing of the still available reserved goods.

8. If the value of existing securities exceeds the secured claims overall by more than 15 %, we are obliged, at the request of the purchaser, to release such securities, the choice to be made at our discretion and taking into account the interests of the purchaser. In the event of initial and subsequent reservation of ownership, the value of the securities is taken as the invoice value at which the purchaser acquires the goods from us, and in the case of extended reservation of ownership, the invoice value at which the purchaser resells our goods.

9. In the case of bills of exchange, cheques etc., payment is only deemed to have been made following irrevocable redemption by the purchaser. Cheques are accepted for settlement purposes only. Payments made in return for a bill of exchange issued by us are only deemed to have been made if cancellation of the cheque or recourse against us is excluded. The securities granted to us remain in effect up to this time, irrespective of our further security rights.

10. On the basis of the reservation of ownership, we may require the return of the goods if we withdraw from the contract. We are entitled to withdraw from the contract, without regard to the further requirements of § 323 BGB, and in particular without notice, from the time at which the purchaser falls partly or completely into arrears with payment. The same applies if the purchaser stops payments or application is made for the institution of bankruptcy or insolvency proceedings against his assets. All costs incurred through the repossession of the

goods delivered must be borne by the purchaser. We are entitled to dispose of the repossessed goods as we see fit.

### XIII. Place or fulfilment, place of jurisdiction, applicable law

1. The place of fulfilment is our delivery works.

2. The exclusive place of jurisdiction for contracts with commercial entities and legal persons under public law or public special funds is the court responsible for our head offices.

3. All deliveries and services are subject to German law, to the exclusion of UN purchasing law. The contract language is German. If the contract partners also make use of another language, the German wording takes precedence.

### XIV. Concluding clause

If any individual stipulations of these conditions and / or the further agreements prove to be or become invalid, this shall not affect the validity of the remainder of the contract. The contract partners are in this case obliged to replace the invalid stipulation by a valid stipulation which most closely approximates the intended commercial sense and purpose.

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