

GENERAL TERMS AND CONDITIONS OF SALE

1. Scope of Application

- 1.1 These General Terms and Conditions of Sale ("**GT&CS**") shall apply to all deliveries and other services ("**Services**") from STAHLWERK ANNAHÜTTE Max Aicher GmbH & Co. KG ("**SAH**") in relation to entrepreneurs, such as in particular merchants, legal entities under public law and special funds under public law (hereinafter "**Customer**").
- 1.2 SAH's offer and its acceptance of the purchase order or acknowledgement of the order, as well as the contract concerning the fee-based execution of any and all Services from SAH shall be subject to these GT&CS. These provisions shall also be the basis for every such individual transaction in future between SAH and the Customer. However, deviating agreements (including side agreements, supplements and amendments) made with the Customer in any individual case relating to sections of these GT&CS, or their exclusion, shall take precedence over these GT&CS to an extent commensurate with the deviating agreement. A written contract or SAH's written confirmation shall be determinative for the content of such agreements, unless proven otherwise. This shall also particularly apply to verbal agreements that have been made with the Customer by employees and/or representatives of SAH and conflict with these GT&CS.
- 1.3 Any terms and conditions of purchase of the Customer that conflict with or deviate from these GT&CS are hereby expressly objected to, unless their validity is recognised by SAH in writing. The fact that the contract has been carried out shall not justify the conclusion that SAH waives this objection. This objection shall apply even if the Customer has specified a special form for the objection. If an objection is excluded in the Customer's terms and conditions of purchase, the statutory provision shall take the place of the non-congruent provisions in the terms and conditions of purchase and sale.
- 1.4 Any references to the application of statutory provisions shall be relevant only as clarification. Therefore, the statutory provisions shall apply even without such clarification, except where they have been directly modified or expressly excluded in these GT&CS.

2. Conclusion of a Contract

- 2.1 Offers from SAH shall be subject to change without notice and therefore be non-binding, unless they are expressly designated in writing as binding or contain a specific time limit for acceptance in the respective case. The details contained in prospectuses, catalogues, technical documentation (e.g. drawings, plans, calculations, cost estimates), other product descriptions or documents are approximate values customary in the industry and are always non-binding, unless they have been expressly referred to by SAH as binding. If the Customer accepts a binding offer late or subject to additions, limitations or other changes, the content of subsection 2.3 shall apply.
- 2.2 SAH shall retain ownership and/or all rights of use in respect of the offers and cost estimates submitted by it, as well as in respect of drawings, illustrations, calculations, prospectuses, catalogues, models, tools and other documents and aids made available to the Customer. Without SAH's express consent, the Customer shall not make these items as such or their content accessible to any third party, make them known or use or reproduce them by itself or through any third party. Upon SAH's request, the Customer shall completely return these items to SAH and destroy any and all copies made if the Customer no longer needs them in the ordinary course of its business, or if negotiations do not lead to the conclusion of a contract. By way of exception, data made available electronically may be stored for customary data backup purposes.
- 2.3 The Customer's purchase order shall be deemed to be a binding offer of a contract. Unless a deviating time limit for acceptance has been expressly declared, SAH may accept offers of a contract within fourteen days of receipt. A contractual relationship shall be brought about only

insofar as SAH expressly declares to the Customer its acceptance of the offer. The content of this declaration of acceptance shall be determinative for the scope of performance. Silence on the part of SAH in response to an offer from the Customer shall not constitute acceptance. The same shall also apply to commercial letters of confirmation sent by the Customer electronically, unless electronic transmission between both parties has been agreed upon for the business relationship, and transmission is effected to the address expressly specified for receiving such declarations. SAH's declaration of acceptance must be in writing. This shall also apply to side agreements and to supplements and amendments to the contract. Transmission by telecommunication, in particular by email or telefax, shall suffice to meet the written form requirement, provided that a copy of the signed declaration is sent; the signature need not be handwritten in this respect. The Customer shall be responsible for the accuracy of the purchase order.

- 2.4 Details concerning suitability for use and fitness for purpose as well as any reference to DIN regulations or other standards constitute descriptions of quality and not a guarantee for the quality of the item or a guarantee that the item will retain a specific quality for a specific period (guarantee of durability), unless they are expressly referred to as such in writing. In the case of sales based on any contractual phrases in the Incoterms, the ICC Incoterms shall apply as up to date at the time of the conclusion of the respective contract.
- 2.5 Legally relevant declarations and notifications in respect of the implementation of the contract (e.g. the setting of a time limit, reminders, rescission) shall, without prejudice to statutory requirements of form, be submitted in writing, i.e. in written or text form (e.g. letter, email, telefax).
- 2.6 Contract amendments/adaptations, in particular cancellations or deferments of delivery requests, shall be possible only by mutual agreement and shall take into account any shifts in risk and costs. Unless otherwise agreed, any costs and disadvantages incurred as a result thereof shall be borne by the Customer.
- 2.7 Contracts that do not have a fixed term shall be terminable with six months' notice, unless otherwise agreed.

3. Contractual Service

- 3.1 The subject-matter, quantity and quality of the Services from SAH shall be determined in accordance with the corresponding contractual agreements with the Customer. Unless otherwise expressly agreed, production-related deviations in respect of dimensions, quality, weights, technical features and specifications shall be permissible if they are within the tolerance limits that are customary in the industry or that are shown in the applicable technical standards. It shall be permissible to include short lengths in the delivery.
- 3.2 Unless otherwise expressly agreed, applicable practice shall encompass sub-deliveries on the one hand and, on the other hand, over- or under-deliveries of up to 15 % of the individual orders placed. The weights shall be ascertained on SAH's calibrated scales and be determinative for the invoicing. Proof of the weights shall be brought about by presenting the weighing report. Unless weighing normally takes place on an individual basis, the total weight of the consignment shall be valid in each case. Any differences compared to the individual arithmetic weights shall be proportionately apportioned over these weights.
- 3.3 Unless otherwise contractually agreed, SAH gives no promise that the Services will be usable for specific purposes of use; the Customer shall bear the full risk of use and suitability for the intended purposes of use and also for any purposes of use brought to the attention of SAH.
- 3.4 The delivery of hot-rolled steel bars shall be subject to DIN EN ISO 9443. According to subsection 4.2 "Designation" of this standard, the requirements relating to the surface condition must be

described in the purchase order. Owing to the technical limits of the manufacturing process and of the applicable tests on the steel bars, it is essential to define in this respect the permissible portion of the defective products in the delivery unit as a whole.

Where neither the purchase order nor the specification or agreement used contains such definition, SAH confirms that material ordered with 100% crack testing shall be delivered "technically crack free".

For hot-rolled, 100 % crack-tested steel bars, the defective portion of a delivery batch (at least 5 tonnes) may amount to up to a maximum of 1,000 ppm.

- 3.5 The delivery of bright steel shall be subject to the provisions of DIN EN 10277-1. The surface quality classes are defined therein.

Where the purchase order or the specification used contains formulations along the lines of "the bright steel must be crack-free" or "no surface defects permissible", SAH confirms surface quality class 4 in accordance with DIN EN 10277-1 "crack-free production".

Where 100 % crack-tested material is ordered, the defective portion of a delivery batch (at least 5 tonnes) for bright steel may amount to up to a maximum of 500 ppm.

- 3.6 The inclusion of test certificates in the delivery, or the provision of test certificates, shall require agreement in text form.

4. Performance Periods

- 4.1 Performance periods promised by SAH shall always be deemed to be only approximate ("**Indicative Performance Periods**"). This shall not apply where a time limit or deadline for performance ("**Performance Periods**") has been expressly and firmly agreed; "time limit" means a delimited period, i.e. a specific or at least determinable period, and "deadline" means a specific point in time. Unless otherwise agreed, time limits for performance shall begin on the date of SAH's written acknowledgement of the order; the same shall apply accordingly to deadlines for performance. Even where Performance Periods are firmly agreed, these shall, in case of doubt, not begin before details relevant to performance have been fully clarified, in particular not before any and all necessary domestic or foreign official certificates/approvals have been provided.
- 4.2 If the Customer fails to fulfil in due time contractual duties, including co-operation or subsidiary duties, such as opening a letter of credit, providing domestic or foreign certificates and official certificates, providing drawings, plans and/or tools, making an advance payment or the like, SAH shall be entitled, without prejudice to its rights arising from default by the Customer, to postpone its Performance Periods for an appropriate period commensurate with these circumstances.
- 4.3 The point in time from when the contractual service is available at the place of performance for collection by the Customer shall be determinative for adherence to the Performance Periods, unless otherwise agreed. The respective place of delivery that is to be taken into account according to the ICC Incoterms possibly applicable shall be the same as the place of performance. Where the place of performance is not the same as SAH's place of business or the place of storage of the contractual service at the time of the conclusion of the contract, the Performance Periods shall, if the contractual service cannot be dispatched in due time or does not arrive at the place of performance in due time through no fault of SAH (e.g. due to force majeure or a serious hindrance to transportation), be deemed adhered to upon notification of readiness for shipment.
- 4.4 In the case of an Indicative Performance Period, delays to the rendering of the service shall, on no legal basis whatsoever, entitle the Customer to compensation for loss incurred upon the Customer as a result thereof. If, however, delays to performance persist for a longer period, the

Customer shall, after a reasonable grace period set in writing has expired to no avail, be entitled to rescind the contract in respect of delayed Services not yet in production.

In the case of Performance Periods expressly agreed to on a binding basis, the Customer shall only be entitled to rescind the contract and assert any incurred loss within the scope of the provisions under Section 11 if a reasonable grace period expressly set by the Customer for the proper rendering of the Services by SAH has unjustifiably expired to no avail. The production periods customary in the industry shall invariably be taken into account in connection with the appropriateness of the grace period. In the interest of essential foreseeability, SAH shall, no later than at the time of the conclusion of the contract, be informed in adequate detail about the potential extent of possible losses and damages in the event of default in delivery; damage claims under Section 11 shall otherwise be excluded.

- 4.5 Regardless of other contractual agreements, all Performance Periods shall be expressly conditional upon the non-occurrence of events of force majeure or other unforeseeable serious circumstances such as strikes, lockouts, disruptions to production (e.g. serious machinery breakdown) or serious bottlenecks in the industry with regard to the adequate supplying of SAH with the necessary raw materials, primary materials and operating materials (e.g. energy carriers such as gas, electricity) and other third-party services necessary for the rendering of the Services by SAH.

SAH shall be wholly or partly released from its obligation to perform the contract in due time if it is prevented from doing so due to events of force majeure. These events shall entitle SAH to postpone the performance of the contract for the duration of the hindrance or to wholly or partly rescind the contract in respect of Services not yet performed. Other serious circumstances that make it considerably more difficult or impossible for SAH to render its Services shall be deemed to be equivalent to events of force majeure, such as war, insurrection, forces of nature, explosions and fire, regardless of whether such circumstances occur at SAH or at one of its suppliers and/or authorised agents (force majeure and other unforeseeable serious circumstances are collectively referred to as: "**Special Hindrances to Performance**"). Special Hindrances to Performance shall also include any acts of sabotage (e.g. cyber-attack) for the duration and to the extent of their impediment to compliance with execution times.

If a Special Hindrance to Performance on the part of SAH lasts longer than two weeks, SAH shall negotiate with the Customer in order to seek an arrangement for handling the effects thereof. If a Special Hindrance to Performance on the part of SAH lasts longer than three months, and no solution can be attained by mutual agreement, the Customer shall have the right to rescind the contract in respect of the parts of the agreed scope of performance that are not yet in production. No claims against SAH shall be derivable from such rescission.

- 4.6 SAH may only render its Services if the scope of the Customer's service ordered is covered by credit protection insurance from a renowned credit insurer. Otherwise, cash before delivery shall apply.

5. Prices

- 5.1 The price for the Services is the price accepted by SAH, plus packaging costs, transport costs, toll charges and, unless otherwise agreed, the individually agreed price components valid on the day of the delivery. Additionally, surcharges ensuing from changes to the prices of primary products and raw materials shall be charged on the terms applicable on the day of the delivery. Unless otherwise expressly agreed, the price set out in the price lists that are up to date at the time of the delivery, plus SAH's individually agreed price components, shall be valid. Unless otherwise expressly agreed, SAH's prices shall apply in euros, FCA means of conveyance D-83404 Ainring–Hammerau, as interpreted in ICC Incoterms (currently: 2020). Statutory value-added tax is not

included in the prices; it shall be shown separately in the invoice at the statutory rate valid on the day of invoicing.

- 5.2 If the wage costs, cost of materials or other costs materially change in the case of contracts with a term of more than twelve months or in the case of contracts that do not have a fixed term, each contractual partner shall be entitled to demand an appropriate adjustment of the price, taking the aforementioned factors into account.

6. Payment Terms

- 6.1 Payment, including in particular any cash discount payment, shall be made in such a way that the amount is at SAH's disposal on the due date. The cost of the payment transaction shall be borne by the Customer. Unless advance performance by SAH has been agreed upon with the Customer, the Customer shall, subject to SAH's right to cancel any agreed advance performance, pay the invoiced amount in immediately available funds at the time of or immediately prior to the delivery. Any agreed cash discount shall relate only to the invoice value and be conditional upon the full settlement of all due amounts owed by the buyer at the time of the cash discount. Cash discount periods shall begin on the invoice date, unless otherwise agreed.
- 6.2 If advance performance by SAH has been agreed upon with the Customer, the invoiced amount (without any deduction) shall be due for payment within 10 days of the invoice date, unless otherwise agreed. In the event of default in payment, SAH shall have the right to charge overdue payment interest at the rate of 5 % or default interest beyond this at the statutory rate. Unless default in payment already commences at an earlier point in time, it shall commence no later than 60 days after the invoice date. Default interest shall amount to nine percentage points above the respective base interest rate communicated by the German Central Bank [Deutsche Bundesbank]. SAH's right to assert a claim for a higher loss due to late payment shall remain unaffected. The Customer expressly agrees that invoices addressed to it may, at SAH's option, also be created and sent electronically.
- 6.3 All payments shall be made by the Customer with debt-discharging effect exclusively to the bank account specified in SAH's invoice. Payments shall be made exclusively by bank-transfer; a bill of exchange or cheque shall not be deemed to fulfil the payment obligations. It shall not be permissible to retain payments on the basis of counter-claims of the Customer or to set off with counter-claims, unless the counter-claims are undisputed or have been established by a final and non-appealable court judgement.
- 6.4 If terms of payment are not complied with, SAH shall be entitled and have the right
- (a) to wholly or partly cancel any advance performance by SAH agreed upon with the Customer, i.e. declare all its claims wholly or partly due immediately;
 - (b) to prohibit the further processing of the goods delivered under retention of title (subsection 9.2/3) and/or revoke the authorisation to on-sell these goods or to collect claims (subsection 9.4/7);
 - (c) to carry out or render Services still outstanding (including withdrawals from consignment stocks) only in exchange for advance payment or the provision of security;
 - (d) without prejudice to SAH's right to claim damages, particularly on account of non-performance of the contractual purchase obligation where applicable, and subject to the setting of a reasonable time limit, to rescind the contract and take back the goods, if necessary by entering the Customer's establishment and removing the goods.

If circumstances that, justifiably from SAH's perspective, are likely to materially reduce the Customer's credit-worthiness or seriously jeopardise the realisation of payment claims (e.g. material reduction or complete cancellation of insurance limits by renowned credit insurers)



become known, SAH shall furthermore, without the setting of a corresponding time limit being required, be entitled to rescind the contract.

In all other respects, any other contractual and statutory rights that SAH may have shall remain unaffected.

7. Delivery, Shipment and Passage of Risk

7.1 If the contractual service consists of goods, SAH's place of performance ("**Place of Performance**") shall, unless otherwise agreed, be FCA means of conveyance D-83404 Ainring–Hammerau as set out in ICC Incoterms (currently: 2020).

7.1.1 In any event, however, SAH reserves the right, following corresponding checks in the specific case, to refuse to load means of transport that are not operationally safe or are unsuitable for transportation (e.g. inadequate overall condition, lack of load-securing devices, etc.). No claims of any kind against SAH shall be derivable from such refusal.

7.1.2 The Customer expressly declares that all commercial packaging shall be licensed in accordance with any packaging regulation possibly applicable. This shall apply only to domestic deliveries.

7.2 Any other agreed shipping methods shall be effected at the Customer's expense and risk in each case. The content of subsection 7.1.1 shall apply accordingly.

7.2.1 The shipping route and the means of shipment as well as the forwarder and carrier shall be determined by SAH. SAH shall be entitled to determine at its dutiful discretion the suitable method of shipment, in particular the means of transport, transport company and shipping route. SAH shall, insofar as legally permissible, assume no liability for the selection made in this connection.

This shall also apply to packaging (in terms of material and type) that goes beyond SAH's standard packaging and is possibly conditional upon the shipment, as well as to other means of protection and aids. Unless otherwise agreed, deliveries by SAH shall, as a rule, be delivered unpacked and unprotected. Signs of corrosion, dirt and other impairments in the deliveries as a result thereof shall not be deemed to be defects. However, packaging that corresponds to the respective product features and/or the respective individual requirements is recommended and can be offered by SAH by separate agreement.

In the absence of such contractual agreements, SAH's valid freight rates (plus any and all necessary incidental expenses incurred) as up to date on the respective day shall be invoiced as shipping expenses.

At the Customer's request and expense, SAH may take out appropriate transport insurance in favour of the Customer. In the event of transport damage, the Customer shall, without delay, cause the facts to be ascertained by the relevant entities.

7.2.2 As a rule, the shipment of the deliveries shall, in each case, take place in whole transport units (truck/wagon) in order to optimise the utilisation of the means of transport accordingly. If the Customer makes delivery requests that would not fully utilise the means of transport, SAH shall, in order to restore optimum utilisation of the means of transport concerned, automatically additionally load each means of transport with other deliveries ready for shipment for the Customer. Sub-deliveries shall, subject to a corresponding surcharge, be possible at the Customer's request.

7.3 Regardless of the respective agreed method of shipment, unloading shall always take place within the Customer's exclusive sphere of responsibility and at the Customer's expense and risk. In each case, unloading shall take place without unnecessary delay, properly, completely and without

damaging the means of transport or making the means of transport particularly dirty. Any loose materials, particular amounts of dirt caused or packaging materials shall be removed accordingly.

As a rule, SAH shall not take back purely packaging materials. Unless otherwise agreed, transport aids provided by SAH for transportation in the form of europallets/steel pallets/cage pallets shall be returned to SAH, free of charge, within four weeks of the delivery date.

- 7.4 The delivery of goods reported as being ready for shipment in accordance with the contract shall be requested without delay, no later than within four business days. If the Customer defaults on acceptance, in particular by failing to take receipt of the goods, or failing to request delivery of the goods, at the agreed place or at the agreed point in time, the Customer shall nevertheless make the payments envisaged in the contract as if the service had been rendered; SAH shall be entitled to invoice the corresponding prices/fees without setting a further time limit. In this case, SAH shall be entitled, at its reasonable discretion and at the Customer's expense and risk, to load or transport the goods or put the goods into storage (safekeeping or third-party storage) and take suitable conservation measures. In the case of safe-keeping, the storage cost rates customary locally shall apply.

Further claims based on culpable breach of the Customer's duties to co-operate shall remain unaffected; other statutory as well as contractual rights shall remain expressly reserved.

- 7.5 Subject to retention of SAH's payment claim, the risk of accidental destruction or loss or of accidental deterioration of the goods, including possible seizure, shall invariably pass to the Customer when the delivery is handed over to the forwarder or carrier or, if collected by the Customer, to the Customer itself, but - unless otherwise agreed - no later than when the goods leave SAH's grounds or warehouse or the agreed consignment stock. The risk shall also pass to the Customer if and when the Customer defaults on acceptance.

8. Long-term Contracts, Delivery Plans and Delivery Quantities

- 8.1 In the case of contracts with a term of more than twelve months and in the case of contracts that do not have a fixed term (collectively; "**Long-term Contracts**"), binding delivery plans (in terms of time and quantity) shall be communicated to SAH at least four months prior to the Performance Period, unless otherwise agreed. The delivery forecast shall otherwise be deemed binding for the four-month period prior to the Performance Period in each case. Changes to the binding delivery plan shall be agreed upon with SAH's order processing department and be clarified in the individual case. Possible extra costs caused by the Customer as a result of a late delivery request or changes at short notice, in terms of time or quantity, shall be borne by the Customer.
- 8.2 If merely a total purchase quantity is agreed upon under a Long-term Contract, but no monthly purchase quantity is defined, the Customer shall commit to a pro-rata delivery quantity that would fall to one month if the total purchase quantity were evenly spread over the total term of the contract ("**Monthly Minimum Purchase Quantity**").
- 8.2.1 If the monthly agreed delivery quantity plus the 10 % maximum quantity tolerance agreed to by SAH ("**Monthly Maximum Purchase Quantity**") is exceeded, SAH shall be entitled to perform, but not be obliged to do so. SAH reserves the right to agree upon a new price with the Customer for the surplus quantity.
- 8.2.2 If the Customer wholly or partly fails to take delivery of the agreed monthly purchase quantity or the Monthly Minimum Purchase Quantity, subsection 7.4 shall apply. The same shall apply if the Customer has failed to take delivery of the total purchase quantity agreed upon at the end of the term of the contract.

9. Prolonged Retention of Title

- 9.1 If the contractual service consists of goods, all goods delivered shall – regardless of the delivery and the passage of risk - remain SAH's property ("**Goods under Retention of Title**") until all claims to which SAH is entitled under the business relationship have been settled. This shall also apply to future and conditional claims, e.g. from an ongoing business relationship.
- 9.2 Any reworking and processing of the Goods under Retention of Title shall, without any obligation on the part of SAH, take place on behalf of SAH with the consequence as set out under 9.3. The goods reworked and processed shall be deemed to be Goods under Retention of Title within the meaning of subsection 9.1.
- 9.3 If the Goods under Retention of Title are processed, combined and mixed with other goods by the Customer, SAH shall be entitled to co-ownership of the new item in the ratio of the invoiced value of the Goods under Retention of Title to the invoiced value of the other goods used. In case SAH ceases to have ownership as a result of combining, mixing or processing, the Customer hereby already transfers to SAH the ownership or expectant rights to which the Customer is entitled in the new product or item to the extent equal to the invoiced value of the Goods under Retention of Title or, in the case of processing, in the ratio of the invoiced value of the Goods under Retention of Title to the invoiced value of the other goods used, and shall hold such product or item in safekeeping for SAH free of charge. SAH's co-ownership rights shall be deemed to be Goods under Retention of Title within the meaning of subsection 9.1.
- 9.4 The Customer may on-sell the Goods under Retention of Title only in the ordinary course of business and on its normal terms and conditions of business and only as long as it is not in default, the condition being that the Customer must retain ownership, and the claims arising from the on-selling must pass to SAH in accordance with 9.5 and 9.6. The Customer shall not be entitled to dispose of the Goods under Retention of Title in any other way. Use of the Goods under Retention of Title for the performance of contracts for work and services or of contracts for the supply of labour and materials shall also be deemed to be on-selling within the meaning of this Section.
- 9.5 The Customer's claims arising from the on-selling of the Goods under Retention of Title are hereby already assigned to SAH. These claims shall serve as security to the same extent as the Goods under Retention of Title within the meaning of subsection 9.1.
- 9.6 If the Goods under Retention of Title are on-sold by the Customer together with other goods, the claim arising from the on-selling shall be assigned to SAH in the ratio of the invoiced value of the Goods under Retention of Title to the invoiced value of the other goods. Where goods in which SAH holds co-ownership interests under subsection 9.3 are on-sold, a portion of the claim that is equivalent to SAH's co-ownership interest shall be assigned to SAH.
- 9.7 The Customer shall be entitled to collect claims arising from the on-selling unless SAH revokes this collection authorisation in the cases referred to in subsection 6.4. At SAH's request, the Customer shall immediately inform its customers of the assignment to SAH, unless SAH does so itself, and provide SAH with the information and documents necessary for collecting the claims. SAH shall be entitled to assign claims arising from its business relationship.
- 9.8 The Customer shall, without delay, notify SAH of any compulsory enforcement measure or other impairment of the Goods under Retention of Title by third parties.
- 9.9 In the case of deliveries to other jurisdictions where the above provision governing the retention of title does not guarantee the same security effect as in the Federal Republic of Germany, the Customer shall ensure that equivalent security rights are created for SAH. The Customer shall participate in all measures, e.g. registration, publication etc., that are necessary for and conducive

to the effectiveness and enforceability of such security rights. Until the fulfilment of this obligation has been proven, SAH shall be entitled to withhold the contractually agreed delivery.

9.10 If the value of the existing security exceeds the secured claims by more than 50 % in total, SAH shall, at the Customer's request, release security as chosen by SAH.

10. Liability for Defects

10.1 The requirements regarding the contractual service that are relevant under the warranty ("**Target Performance**") shall be determined on the basis of the agreed quality or, in the absence of such agreement, the standards applicable at the time of the conclusion of the contract or, in the absence of such standards, practice and trade usage. Sentence 2 in subsection 2.1 and subsection 3.1/2 as well as subsection 3.4/5 shall remain unaffected.

References to standards and similar regulations, to test certificates and similar certificates as well as information provided regarding qualities, grades, dimensions, weights and usability of the goods shall not constitute warranties or guarantees, nor shall declarations of conformity or corresponding markings such as CE and GS.

10.2 The Customer shall bear the full risk of use for the purposes of use intended and also for any purposes of use brought to the attention of SAH. No liability for the suitability of the item for a specific purpose of use shall be assumed, unless the purpose of use was expressly confirmed by SAH at the time of the conclusion of the contract.

In particular, SAH shall assume no liability that disposals of the goods or use of the goods are not, or will not be, hindered in any way by state regulations (e.g. embargo regulations or export permit requirements).

Although some of SAH's production sites are certified in accordance with special standards, suitability/use for a specific purpose or for a specific end product shall generally not be deducible from this.

10.3 The goods, including any and all test certificates, shall be carefully inspected without delay following delivery to the Customer or to the third party designated by the Customer. With regard to obvious defects or other defects that would have been evident had an inspection been carefully carried out without delay, the goods shall be deemed approved by the Customer if SAH does not receive written notification of such defects within seven business days following delivery. With regard to other defects, the items delivered shall be deemed approved by the Customer if SAH does not receive notification of such defects within seven business days after the point in time when the defect became apparent. If, however, such defect was already evident to the Customer at an earlier point in time during normal use, this earlier point in time shall be decisive for the commencement of the time limit for giving notification of such defects.

At SAH's request, a delivery item complained of shall be returned to SAH carriage paid. Where a justified notification of defects is given, SAH shall reimburse the cost of the least expensive shipping route; this shall not apply insofar as the costs rise because the delivery item is located at a place other than the agreed place of performance.

10.4 If the goods are intended to be installed or attached or otherwise further processed, the Customer shall inspect the goods beforehand, at least by means of random checks, in respect of the Target Performance relevant to their use and notify SAH of any defects in the goods without delay. Insofar as the Customer omits, prior to installing or attaching the goods, to inspect the goods, at least by means of random checks, in respect of the Target Performance relevant to their use, this shall constitute in relation to SAH a particularly serious breach of due commercial diligence (gross negligence). In this respect, defect-related rights regarding this Target Performance shall come into consideration only if the defect concerned has been fraudulently concealed, or a guarantee

for the quality of the item has been provided. Notwithstanding the foregoing, the Customer shall take on the responsibility of carrying out during the further processing suitable quality inspections to check that the contractual products delivered are suitable for the qualitative and technical requirements and, where applicable, detect defects in its end products or shall pass on this responsibility to its customers/processors.

- 10.5 Where a justified notification of defects is given in due time, SAH may, at its option, eliminate the defect or deliver defect-free goods (supplementary performance). If supplementary performance fails or is refused, the Customer shall be entitled to the statutory rights. If the defect is insignificant, or the goods have already been sold, processed or redesigned, the Customer shall only be entitled to a price reduction.
- 10.6 The cost of supplementary performance shall be deemed to be disproportionately high, and SAH shall therefore have the right to refuse to render supplementary performance, particularly insofar as the expenditure claimed, in particular for dismantling and installation costs, exceeds 150 % of the billed value of the goods or 200 % of the defect-related reduction in the value of the goods. The same shall apply to any further inspection and sorting costs if these costs are higher than the cost of eliminating loss or damage caused by combining, mixing or processing in the event that all products suspected of being defective are actually defective. Costs that are incurred upon the Customer for the self-remedy of a defect without the statutory requirements for this being met shall not be reimbursable; the same shall apply to dismantling and installation costs insofar as the original features of the goods delivered by SAH were no longer existent due to processing by the Customer prior to installation. Expenditure incurred as a result of the goods sold having been taken to a place other than the agreed place of performance shall not be taken on.
- 10.7 Further claims of the Customer shall be governed by Section 11 of these terms and conditions. The Customer's rights of recourse under Sections 445 a) and 478 of the German Civil Code [BGB] shall remain unaffected.
- 10.8 Where goods are sold as declassified material, the Customer shall not be entitled to any rights based on a quality-related defect with regard to the stated reasons for declassification and with regard to defects normally to be expected. In the case of the sale of goods classified as secondaries ["Ila-Ware"], SAH's liability for quality-related defects shall be excluded in accordance with Section 11 of these terms and conditions.
- 10.9 After an agreed acceptance inspection has been carried out, there shall be no right to give notification of defects that were detectable during this acceptance inspection.
- If a defect has remained unknown to the Customer due to negligence, the Customer may assert rights based on such defects only if SAH fraudulently concealed the defect or has provided a guarantee for the quality of the item.
- 10.10 Under the current state of the art, not all inclusions and internal flaws are detectable by means of quality inspections, such as e.g. the metallographic purity of specimens, ultrasound or eddy-current testing.

11. Damages and Statute of Limitations

- 11.1 SAH's liability for damages on the basis of breach of contractual and non-contractual duties, in particular as a result of defective delivery, impossibility, default and tort, shall - also for its employees and other authorised agents - be limited to cases of wrongful intent and gross negligence. In cases of gross negligence, liability shall be limited to the loss that is typical of this type of contract and foreseeable at the time of the conclusion of the contract. In all other cases, liability for damages, including liability for defect-related loss and defect-related consequential loss, shall be excluded in accordance with this Section 11.

11.2 This shall also, from the time when these GT&CS are included, apply to any preceding culpa in contrahendo.

11.3 The limitations under subsection 11.1 shall not apply in cases of culpable breach of duties material to the contract.

Duties material to the contract (material contractual duties) are duties whose performance enables the proper implementation of the contract in the first place, whose breach jeopardises the attainment of the purpose of the contract and whose fulfilment may normally be relied upon by the contractual partner. These duties encompass the obligation to deliver the contractual service in due time, freedom of the contractual service from defects in title and from quality-related defects that impair more than merely insignificantly the proper functioning of the contractual service or its fitness for purpose, as well as, where applicable, the duty to provide advice, the duty to protect and the duty of care that are intended to enable the Customer to use the contractual service in accordance with the contract or to protect the life and limb of the Customer's personnel or protect its property against significant damage.

In cases of ordinary negligence, subsection 11.1, sentence 2 shall apply accordingly.

11.4 In the case of liability for ordinary negligence, SAH's liability for damages shall be limited to an amount of 5,000,000 EUR, even if this concerns a breach of duties material to the contract.

Any liability to compensate for motor vehicle recall costs shall remain unaffected by this limitation of liability. There shall be no liability for costs incurred on a goodwill basis or as a result of a voluntary recall.

The sum of all damage claims based on one or multiple damaging breaches of duty shall be deemed to be one single case of liability where these are due to the same cause, due to the same causes that have an inherent connection, particularly a connection in terms of subject-matter and time, or due to the supply of goods that have the same defects.

In connection with the above limitation of liability, SAH expressly points out that a potential risk of loss or damage may, depending upon the individual case, also be (considerably) higher than EUR 5.0 million. In this case, SAH shall be willing to negotiate the conclusion of an individual agreement on limitation of liability.

11.5 The limitations under subsections 11.1 and 11.4 shall not apply in cases of mortal injury, physical injury or health damage culpably brought about or in cases of mandatory liability under the Product Liability Act [Produkthaftungsgesetz]. The limitations under subsection 11.1 shall also be inapplicable if and insofar as SAH has provided a guarantee for the quality of the item sold (guarantee of quality).

11.6 The rules governing the burden of proof shall remain unaffected by the foregoing. In all other respects, SAH shall, in cases where SAH has provided a guarantee of quality or a guarantee that the item delivered will retain a specific quality for a specific period (guarantee of durability), be liable for damages only insofar as the purpose of the guarantee was to safeguard the Customer specifically against the loss or damage that has occurred.

11.7 Insofar as SAH provides technical information or acts in an advisory capacity, and this information or this advice is not part of the contractually agreed scope of performance owed by SAH, this shall occur free of charge and without any contractual responsibility whatsoever.

11.8 Unless otherwise agreed, contractual claims to which the Customer is entitled against SAH by reason of and in connection with the delivery of the goods, including damage claims based on quality-related defects, shall become statute-barred one year after delivery of the goods.

This shall not affect the limitation of claims in connection with the delivery of goods that have been used for a structure commensurately with their customary use and have caused this structure to be defective, damage claims of the Customer based on mortal injury, physical injury or health damage or based on intentional, grossly negligent or fraudulent breaches of duty by SAH or its authorised agents, or the limitation of recourse claims under Sections 445a and 478 of the German Civil Code, which shall become statute-barred in accordance with the statutory provisions in each case.

Neither rectification nor a replacement delivery shall cause the limitation period to begin anew.

12. Export Certificate

If a Customer domiciled outside of the Federal Republic of Germany, or its authorised representative, collects goods or transports and ships goods to a non-EU country, the Customer shall provide SAH with the export certificate necessary for tax purposes. If such certificate is not provided, the Customer shall pay the value-added tax on the invoiced amount at the rate valid for deliveries within the Federal Republic of Germany.

13. Export Control

The Customer shall comply with the applicable export control and sanction regulations and laws of the Federal Republic of Germany (FRG), the European Union (EU), the United States of America (USA) and other jurisdictions (export control regulations).

The Customer shall inform SAH in advance and provide it with all information necessary for SAH to comply with the export control regulations, particularly if products, technology or other goods ("SAH Goods") are ordered from SAH for use in connection with

- (i) a country or territory, natural person or legal entity that/who is subject to restrictions or sanctions imposed by the FRG, EU, USA or subject to other applicable export control and sanctions regulations, or
- (ii) the design, development, production or use of military or nuclear goods, chemical or biological weapons, missiles, space or aircraft applications or launcher systems for these.

The fulfilment of the contractual obligations by SAH shall be subject to the condition that the applicable export control regulations do not conflict therewith. In such case, SAH shall therefore be entitled, in particular, to refuse or withhold performance of the contract without being liable in any way in relation to the Customer.

14. Additional Terms and Conditions for Processing Orders

Processing orders shall, moreover, be additionally or restrictively subject to the following terms and conditions:

- 14.1 The Customer, as the ordering party, shall deliver at its expense the material to be processed as well as all technical documents necessary for the processing.
- 14.2 The material to be processed must be faultless and correspond to the values stated. The material must not contain any flaws that make the processing more difficult and shall have the normal ingredients for the processing envisaged.
- 14.3 All extra costs and loss or damage arising as a result of the material not conforming to subsection 14.2 (e.g. in the case of porosity, sand inclusions, brittleness, hardness or other circumstances that make the work more expensive) shall be charged additionally. This shall also apply to extra costs and damage due to inadequate technical documents (subsection 14.1). If the material becomes unusable due to any of these reasons or otherwise through no fault of SAH, SAH shall



additionally be entitled to remuneration for its Services rendered up to the time when the defect was ascertained.

14.4 SAH shall diligently carry out the work taken on. SAH shall accept no liability for loss or damage or delays attributable to defects in the material, mistakes in the technical documents or in other information provided or to warping of the piece during or after the processing. Where justified notifications of defects are given in due form and time, SAH shall fulfil its obligation exclusively by means of rectification. If the material becomes unusable through the fault of SAH, SAH shall take on the costs expended by SAH up to the time when the defect was ascertained. SAH shall also be willing to process in accordance with the provisions of this contract any replacement material delivered to it free of charge.

14.5 Scrap, chippings and other waste shall become SAH's property, unless otherwise agreed.

15. Data Protection

SAH may possibly process personal data for credit checking. To this end, the data necessary for this shall be sent to service providers (e.g. Creditreform, EulerHermes and Atradius) and retrieved. The legal basis is Art. 6 (1) f) or b) GDPR; SAH's legitimate interest lies in checking the creditworthiness of its customers. Further information on data protection and on your rights can be found at <https://www.annahuette.com/home/datenschutz>.

16. Place of Jurisdiction and Applicable Law

16.1 Traunstein is the exclusive place of jurisdiction – also internationally – for all disputes arising from or in connection with the business relationship between SAH and the Customer. SAH shall also be entitled to bring an action against the Customer at the Customer's place of general jurisdiction.

16.2 These GT&CS, the contractual relationship and all legal relations between SAH and the Customer shall be subject to the laws of the Federal Republic of Germany, with the exception of the law on conflict of laws and international uniform law. Applicability of the uniform UN sales law (CISG) is expressly excluded. In this respect, the prerequisites for and effects of the retention of title that are contained in Section 9 of these GT&CS shall be subject to the laws applicable at the respective place of storage of the item insofar as the choice of law made in favour of German law is impermissible or ineffective thereunder.

16.3 If a provision in these GT&CS is or becomes ineffective, this shall not affect the effectiveness of the remainder of these GT&CS. The statutory provision shall take the place of the ineffective provision.

16.4 The German version of the GT&CS shall prevail.