

GENERAL TERMS OF DELIVERY AND PAYMENT

of HUESECKEN WIRE GmbH

1. General provisions

- 1.1 Our deliveries and services are provided solely on the basis of the conditions hereinafter. The Purchaser's general terms and conditions shall only apply, where we have expressly agreed to them in writing.
- 1.2 Our offers shall be subject to change without notice. Contracts and other agreements only become binding when confirmed in writing by us.
- 1.3 Our General Terms of Delivery and Payment only apply to entrepreneurs within the meaning of section 310(1) of the German Civil Code (*BGB*).
- 1.4 In the case of ongoing business relationships, these terms and conditions are also valid for future contracts.

2. Reviewing the requirements for products and services

2.1 Where the Purchaser informs us of the use it intends to make of the products or services it orders, our offer shall be based on the assumption that the topics addressed in the following questions have no relevance for the product requested by the Purchaser, unless the Purchaser has already informed us otherwise. Should one or more of the following questions be relevant, the Purchaser shall be required to bring this to our attention before we enter into any obligation towards the Purchaser.

Are there any requirements, which are not specified in the enquiry, relating to the following?

1. the packaging and delivery of the part at the Purchaser's premises (blister packaging, use of a particular packaging material, cleanliness requirements, handling with the Purchaser's own load carriers);
2. the handling of the part at the Purchaser's premises (robustness, resistance to bumping and shaking, drop heights);
3. the storage of the part at the Purchaser's premises (insensitivity towards environmental factors such as light, humidity, temperature, air pressure as well as inherent shelf life of a part);
4. production at the Purchaser's premises;
5. the demands on the part in the whole system (robustness, resistance to bumping and shaking);
6. the influence of the part on its system environment;
7. the influence of the system environment on the part;
8. temporal factors, e.g. wear and tear or material fatigue in the specific assembly situation;
9. the influence of the whole system on the part;
10. the influence of the part on the whole system;
11. influences of the user of the whole system (e.g. contaminated working clothes, heavy-handed usage, below-average skill of the user);
12. the influence of legal provisions, to the extent these are known to the Purchaser;
13. influence factors that deviate from the usual expected use in respect of space, time or technical aspects or that should otherwise be pointed out (e.g. climatic conditions, average use time, jarring, shaking or vibrating movements);
14. influence factors arising out of the intended use under regional, climatic and legal conditions;
15. influence factors that could have an effect on function, functionality and/or life expectancy in respect of the environment of the whole system, insofar as these are not within the scope of the order;
16. In using auxiliary equipment and materials, does the Purchaser deviate from the customary quality and/or use of the auxiliary equipment and materials?
17. Are there any requirements on the part to be delivered by us in respect of mechanical, thermal or electrical durability, electrostatic durability or handling which could necessitate a modification of the part in order that it can be used for further construction or further processing?
18. Which interface parameters are required for validation, including testing procedures, test methods and test equipment?
19. Is the Purchaser aware of any legal or regulatory requirements which deviate from the customary requirements?

2.2 Notwithstanding paragraphs 8.4.2.2 and 8.6.3 IATF, the parties agree that we are not required to establish the legal and regulatory requirements in the countries of destination specified by the Purchaser. This obligation lies exclusively with the Purchaser according to the prevailing opinion in legal precedent and literature.

3. Offers, offer documents, order confirmation

- 3.1 Our offers are subject to change, unless otherwise provided in the offer.
- 3.2 Orders may be accepted by us within 6 weeks by issuing an order confirmation.
- 3.3 A contract is only formed once we issue our order confirmation (at least in text form) or through delivery.
- 3.4 Verbal assurances about qualities, amendments, commitments or side agreements that go beyond the content of the written contract or which vary these General Terms and Conditions of Sale to our detriment are only valid if they are confirmed by us in writing.
- 3.5 We retain the proprietary rights and copyright in images, drawings, calculations and other documentation. This also applies for written documentation which is marked as "confidential". Disclosure to third parties requires our express consent in writing.
- 3.6 The images, drawings, specifications about weight and dimensions and tables forming part of the offer are only ever given for illustrative purposes unless they are expressly marked as being binding. There shall be no liability for construction-related deviations from these documents in the object of the contract.
- 3.7 The DIN and EN standards apply for compliance with dimensions. In all other cases, we provide dimensions and weight in our offers and order confirmations to the best of our knowledge. However, they do not constitute warranties of quality. Minor deviations, in particular excess or short weights due to production technology, do not entitle the Purchaser to make complaints and claims based on defects, unless otherwise agreed.

4. Pricing / Payment terms

- 4.1 If the manufacturing costs change by more than 5% in total after conclusion of a contract, including through increases in wages, energy cost increases, customs duties or other costs, any portion of the original price attributable to costs may be adjusted according to the change in costs. This does not apply if the changes occur within 6 weeks after conclusion of the contract. The claim for price adjustment becomes due at the time at which one party demands the price adjustment in writing. Should the parties not be able to reach an agreement about the price adjustment, we may terminate the contract in whole or in part by giving three months' notice. In order to maintain the original price, we may also opt for alternative supply sources. Where delivery to a Purchaser after a change of supply is only permissible after renewed sampling, the Purchaser shall bear the costs of the sampling.
- 4.2 Unless a different INCOTERM clause is agreed, all prices are EXW INCOTERMS 2020® plus value added tax at the statutory rate in force at the date of invoicing. All ancillary costs, such as the costs of freight, insurance, export, transit, import and other permits and certifications, shall be borne by the Purchaser. The Purchaser shall also bear all taxes, charges, fees and duties of any kind.
- 4.3 Unless otherwise agreed, invoices are due upon receipt of the invoice. Where cash discounting has been contractually agreed, cash discounts will only be granted once all outstanding invoices have been settled.

The date of receipt of payment is deemed, for all means of payment, to be the date on which we have, or a third party nominated by us has, the amount at our or their full disposal.

4.4 The Purchaser is required under the terms of the contract to pay the purchase price and accept delivery of the goods. Should the Purchaser fail to comply with one of its obligations under this contract or under statute, we may, without prejudice to any further statutory claims we may have, retain all deliveries or performance.

4.5 The Purchaser may only offset claims that are undisputed or legally established.

The Purchaser is only entitled to a right of retention where this is based on the same contractual relationship.

4.6 Where circumstances occur which result in a significant deterioration of the Purchaser's financial position, and our claim for payment is at risk as a result, we are entitled – irrespective of the maturity date of credited bills of exchange – to make payment due and payable. Where the Purchaser is in arrears with payment, which indicates that our claim is at risk, the Purchaser undertakes to return the goods to us immediately upon first request. Furthermore, we may refuse further processing of delivered goods. This shall not apply where the Purchaser is not responsible for the arrears. Taking back goods does not constitute withdrawal from the contract.

In both cases, we may demand payment in advance for outstanding deliveries. The Purchaser can avoid all these legal consequences by making a security payment in the amount of our endangered claim for payment.

4.7 We are entitled to the usual securities for our debts, according to their nature and scope, even if they are conditional or time limited.

4.8 Statutory provisions in relation to default of payment remain unaffected.

However, where the Purchaser is in default of payment due by more than four weeks, either for the entirety of the relevant payment or a substantial portion thereof (at least 50%), default of payment is deemed to apply to all outstanding debts of the Purchaser to us.

4.9 If the Purchaser accepts a quantity smaller than the target quantity, we are entitled to make a reasonable increase to the price per tonne.

4.10 It is agreed that we are entitled to assign our claims against the Purchaser.

5. Data protection clause

5.1 The processing of personal data about employees of the Purchaser takes place in accordance with Articles 6(1)(b) and (f) GDPR for the purposes of processing and handling business transactions which have already been entered into and ongoing business, entering into new contracts or for similar business relations which serve to safeguard HUESECKEN's legitimate interests.

5.2 HUESECKEN collects, processes, stores and erases personal data about the Purchaser's employees only in accordance with the principles of Art. 5 GDPR.

6. Weights

6.1 Weights are determined on our calibrated scales and are decisive for invoicing. Evidence of weight is provided by means of presentation of the weighing slip.

7. Shipment and transfer of risk

7.1 Unless otherwise provided in the order confirmation, delivery is EXW INCOTERMS 2020®.

7.2 Our notification of readiness for dispatch or collection is determinative for compliance with the delivery date or delivery period.

7.3 Unless otherwise agreed, goods which have been notified as ready for dispatch must be accepted by the Purchaser without delay. If the Purchaser breaches this obligation, we shall be entitled to elect either to send the goods to the Purchaser at the Purchaser's cost or to store the goods on our own or on third-party premises at the cost and risk of the Purchaser.

7.4 Risk passes to the Purchaser in accordance with EXW INCOTERMS 2020®. If we engage a processor and this processor delivers directly to the Purchaser, EXW INCOTERMS 2020® place of business of the processor applies.

7.5 The provisions on passage of risk above also apply if we have exceptionally agreed to provide other services, e.g. shipping costs or carriage.

7.6 Where the goods are not delivered EXW INCOTERMS 2020®, risk passes with transfer of the goods to the first transport party, unless otherwise agreed.

7.7 Unless otherwise agreed in writing, goods are delivered without packaging and are not protected against rust. Where packaging is contractually agreed, we do not offer a take-back service.

7.8 Unless otherwise agreed, the shipping route and means of shipment shall be at our discretion.

7.9 We are entitled to make partial deliveries, where reasonable.

7.10 Where Incoterms have been agreed, the newest version of Incoterms will always apply in case of doubt.

8. Delivery periods / Delay in delivery

8.1 Agreed delivery and performance times shall be conditional on all technical queries having been resolved and payment or other obligations owed by the Purchaser having been made or complied with on time. If this is not the case, the deadline will be lengthened accordingly. Re-designing and changes to items requested by the Purchaser will result in the delivery period being paused. It shall be resumed only once the changes have been approved by the Purchaser. Where the Purchaser fails to fulfil contractual obligations in a timely manner – including duties to cooperate or ancillary obligations – such as providing a letter of credit, obtaining foreign or domestic permits, advance payment, etc., we are entitled to postpone our delivery period appropriately – without prejudice to our rights based on default by the Purchaser – in accordance with the requirements of our production process.

8.2

Where we are prevented from fulfilling our obligations due to the occurrence of unforeseen events which affect us or our suppliers and which we could not avert in spite of reasonable efforts in the circumstances, e.g. war, Act of God, national unrest, natural disaster, accidents, other operational disruptions and delays in the delivery of essential operating materials or raw materials, the delivery period shall be extended for the duration of the interference and by a reasonable start-up period. Where delivery is impossible or unreasonable due to the interference, we can withdraw from the contract; the Purchaser has the same entitlement where acceptance is unreasonable for the Purchaser due to the delay. For the purpose of this clause, strikes and lock-outs shall constitute an interference for which we are not responsible in any case.

9. Liability for late delivery

9.1 If we fail to comply with our obligation to deliver the goods in accordance with the contract and the underlying purchase contract is a transaction for delivery by a fixed date within the meaning of section 286(2) No. 4 of the German Civil Code (*BGB*) or section 376 of the German Commercial Code (*HGB*) and the interest of the Purchaser in further performance of the contract has not ceased to exist, we shall be liable under the statutory provisions unless we are not legally responsible for the breach of contract.

9.2 If we fail to comply with our obligation to deliver the goods in accordance with the contract, we shall be liable under the statutory provisions where the Purchaser asserts a claim for damages based on the deliberate behaviour or gross negligence of our representatives or agents. Insofar as we cannot as part of this liability be held responsible for intentional breach of contract, our liability for damages shall be limited to foreseeable, typically occurring damages.

9.3 If we fail to comply with our obligation to deliver the goods in accordance with the contract, we shall be liable under the statutory provisions where we have culpably breached a material contractual obligation. Insofar as we cannot be held responsible for intentional breach of contract in this case, our liability for damages shall be limited to foreseeable, typically occurring damages.

9.4 Liability for culpable injury to life, limb or health remains unaffected.

9.5 Provided nothing to the contrary is specified above, further liability for late delivery is excluded.

10 Liability for defects

10.1 Where specifications have been submitted for a product, it is free from material defects if it remains within the recognised production-related tolerances. The Purchaser may only invoke a use it intends to make of the goods if this has been expressly agreed in writing.

10.2 The information and illustrations contained in brochures and catalogues constitute approximate values, as customary in the industry, unless we have expressly designated them as binding.

10.3 In the event that we are to make deliveries in accordance with drawings, specifications, models etc. of the Purchaser, the Purchaser shall bear the risk of suitability for the intended purpose. The point in time at which risk is transferred is decisive in determining whether the condition of the goods complies with the contract.

10.4 Unless the parties have agreed otherwise, the goods shall conform to contract if the goods conform to the requirements of the sending country. Normative requirements in countries other than the sending country must be expressly agreed in writing.

10.5 We will not be liable for material defects caused by unsuitable or improper use, defective installation or commissioning by the Purchaser or a third party, fair wear and tear, defective or negligent handling, nor for the consequences of improper modifications and modifications made without our consent or maintenance work carried out by the Purchaser or third parties. The same applies for defects which reduce the value or suitability of the item to an insignificant extent.

10.6 Apparent defects must be notified to us immediately and a complaint lodged. Where there is a defect that is imputable to us, we shall choose whether to rectify the delivery or to replace it. In the event of rectification, we are obliged to bear all necessary expenses incurred in remedying the defect, in particular, transportation and shipment costs, labour costs and material costs, insofar as these costs are not increased by virtue of the object purchased being taken to a place other than the place of performance. If we choose to rectify, the Purchaser must, upon our request, make the item available for repair in the manufacturing plant.

10.7 Where the defect is not successfully remedied, the Purchaser is entitled to choose either to withdraw from the contract or demand a discounted price.

10.8 If the Purchaser has incorporated the defective item into or attached the defective item onto another item, depending on its nature and intended use, we shall be required as part of the supplemental performance to compensate the Purchaser the necessary costs of removing the defective item and incorporating or attaching the remedied or newly delivered defect-free item. The above does not apply if we are able to refuse the method of supplemental performance chosen by the Purchaser in accordance with section 439(4) BGB. We may refuse the method of supplemental performance chosen by the Purchaser if the costs of supplemental performance exceed the value of the goods in a defect-free condition by 150%.

10.9 We shall be liable for defects in accordance with the statutory provisions where we have fraudulently hidden the defect or assumed a warranty for the quality of the item.

10.10 We are liable for defects in accordance with statutory provisions where the Purchaser asserts claims for damages which pertain to wilful intent or gross negligence by our representatives or agents. Insofar as we cannot, as part of this liability for defects, be held responsible for intentional breach of contract, our liability for damages shall be limited to foreseeable, typically occurring damages.

10.11 We shall be liable for defects under the statutory provisions where we are in culpable breach of a material contractual obligation. Insofar as we cannot be held responsible for intentional breach of contract in this case, our liability for damages shall be limited to foreseeable, typically occurring damages.

10.12 Liability for defects arising out of culpable injury to life, limb or health remains unaffected, as does liability under the German Product Liability Act (*Produkthaftungsgesetz*).

10.13 Insofar as nothing to the contrary has been specified, liability for defects is excluded.

10.14 Claims under section 437 BGB shall expire twelve months after the passage of risk unless the claim relates to items which have been used for a building structure in accordance with their normal use and have caused the same to become defective.

10.15 The limitation period in the case of recourse against a supplier under sections 478 and 479 BGB remains unaffected at five years calculated from delivery of the defective item.

11 Retention of title

11.1 All goods delivered remain our property (goods subject to retention of title) until fulfilment of all claims, in particular, any balance claims to which we are entitled in the context of the commercial relationship. This shall also apply to future and conditional claims, for example, from acceptor bills.

11.2 Any reworking and/or processing of the goods that are under retention of title shall, without this placing us under any obligation, be deemed to have been carried out on our behalf as the manufacturer as defined by section 950 BGB. The treated and processed goods shall be considered as goods subject to retention of title within the meaning of Clause 11.1.

11.3 In the event that the Purchaser processes, combines or mixes the goods subject to retention of title with other goods, we shall be entitled to co-ownership of the new item at the ratio of the invoice value of the goods subject to retention of title to the invoice value of the other goods. Where our ownership expires as a result of combination, mixing or processing, the Purchaser hereby transfers the proprietary rights arising in its favour or expectant rights to the new stock or item in the amount of the invoice value of the goods subject to retention of title, in the case of processing, at the ratio of the invoice value of the goods subject to retention of title to the invoice value of the other goods used, and shall store the goods for us free of charge. Our rights of co-ownership shall be considered as goods subject to retention of title within the meaning of Clause 11.1.

11.4 The Purchaser may resell the goods subject to retention of title only in the normal course of business in accordance with its normal business terms and conditions and only insofar as the Purchaser is not in default, provided that it agrees retention of title with its customer and that the claims from the resale are assigned to us in accordance with Clauses 11.5 and 11.6.

The Customer is not entitled to dispose of the goods subject to retention of title in any other way. Use of the goods subject to retention of title to fulfil contracts for works, labour and materials shall be considered as resale.

11.5 The Purchaser's claims from the resale of the goods subject to retention of title are hereby assigned to us. They shall serve as collateral to the same extent as the goods subject to retention of title within the meaning of Clause 11.1.

11.6 Where goods subject to retention of title are resold by the Purchaser together with other goods, the claim from the resale shall be assigned to us at the ratio of the invoice value of the goods subject to retention of title to the invoice value of the other goods. In the event of resale of goods, of which we have joint ownership in accordance with Clause 11.3, a proportion of the claim corresponding to our share in ownership shall be assigned to us.

11.7 The Purchaser is entitled to collect receivables from the resale, unless we cancel the direct debit mandate in the circumstances specified at Clause 11.4. Upon our request, the Purchaser is obliged to notify its customer of the assignment to us without delay – insofar as we do not do so ourselves – and to provide to us the information and documentation required for collection.

11.8 The Purchaser is not entitled to assign the claims under any circumstances; this also applies to factoring transactions, which the Purchaser is not permitted to make on account of our direct debit mandate.

11.9 The Purchaser must inform us immediately of any seizure or other third-party interference.

11.10 Where the value of the existing securities exceeds the total claims being secured by more than 10%, we are obliged, upon the request of the Purchaser, to release securities to this extent, the choice of such securities being at our discretion.

12 General limitation on liability

12.1 For all other claims for damages, we shall be liable in accordance with Clauses 10(9), (10), (11) and (12), irrespective of the legal nature of the claim asserted, especially for such claims arising out of fault at the time the contract was concluded, out of other breaches of obligation or because of claims in tort for compensation of damages under section 823 BGB. Further liability is otherwise excluded.

12.2 To the extent that our liability for damages is excluded or limited as a result of this clause, such exclusion or limitation shall also apply with regard to personal liability for damages by our employees, workers, personnel, representatives and agents.

12.3 A limitation period of 18 months shall apply to all claims which are not subject to the limitation period for material defects. It shall commence from the time at which the Purchaser acquired, or should without gross negligence have acquired, knowledge about the damage and the identity of the person causing the damage.

13 Plea of uncertainty/deterioration

13.1 We are entitled to suspend the obligation to deliver, if it emerges after conclusion of the contract that the Purchaser cannot fulfil a significant part of its obligations due to a serious deficiency impairing its capacity to fulfil the contract, in particular, its borrowing capacity (creditworthiness).

13.2 In this case, we undertake to notify the Purchaser in writing of our intention to discontinue deliveries. Insofar as the Purchaser offers sufficient collateral for fulfilment of its obligations, we undertake to continue performance as incumbent upon us.

14 Right of HUESECKEN to withdraw / Termination of contracts of indeterminate duration

14.1 In the event of unforeseen circumstances for which we are not responsible which materially change the economic significance or the substantive nature of the performance or have a material effect on our operations and which in the individual case subsequently lead to impossibility for which we are not responsible, we shall have the right to withdraw from the contract in whole or in part unless the Purchaser cannot reasonably be expected to accept such partial withdrawal. Other statutory rights of withdrawal are hereby unaffected.

14.2 The Purchaser shall have no claim for damages as a result of such a withdrawal. If we want to exercise our right of withdrawal, we must notify the Purchaser immediately, even where we initially agreed an extension of the delivery period with the Purchaser.

14.3 Contracts of indefinite duration may be terminated by us on giving 3 months' notice.

15 Miscellaneous

15.1 Where a clause of these conditions is invalid, this shall not affect the validity of the other clauses. Even in the event of invalidity, either of provisions of these conditions or other provisions and arrangements, the remainder of the contract shall remain binding. This shall not apply when adherence to the contract would represent an unreasonable hardship for a party.

15.2 Where a form of communication is required to be made in writing, it shall also be sufficient to provide it by fax, email or such other form of transmission by electronic data processing.

16 Place of performance and place of jurisdiction

The place of performance for delivery and payment is 58119 Hagen-Hohenlimburg, Germany.

Insofar as the Purchaser is a merchant, a legal entity under public law or special fund under public law, the place of jurisdiction is 58086 Hagen, Germany.

We are also entitled to initiate legal proceedings against the Purchaser at its general place of jurisdiction.

17. International contractual partners

Where the Purchaser has its place of business outside of Germany, the following provisions shall apply in addition to or, where appropriate, instead of the above:

17.1 This contract is governed exclusively by German law.

17.2 In the event of conflicting offers and acceptances of contract, delivery shall be deemed to be a new offer containing the terms and conditions last declared by us.

17.3 If we owe an obligation to supply individual objects then, in the event of a defective delivery, we shall only be required to supply a replacement part if we agree to do so.

17.4 The Purchaser shall lose the right to assert the non-conformity of the goods to contract if it does not bring it to our attention within 12 months after the goods have actually been handed over to it.

17.5 In the event of a conflict between the provisions of Clause 17 and the remaining General Terms of Delivery and Payment, Clause 17 shall take precedence.

17.6 The language of this contract is German. Where the parties use another language alongside this, the German wording takes precedence.

Please note:

HUESECKEN collects, processes and uses personal data, in particular contact details, for the handling of orders, including email addresses where these are provided to us. We may call on information (e.g. also a so-called score value) from external service providers to assist in decision making about credit worthiness and make the payment method dependent on this. Information also includes information about your address. This takes place under Articles 6(1)(b) and (f) GDPR for the purposes of performing the contract. Please refer to our Data Protection Policy at www.huesecken.de for details.

The Purchaser and its employees may, under the terms of the statutory provisions, ask for information about the personal data HUESECKEN stores about them.

Should the Purchaser or an employee of the Purchaser identify an infringement of the applicable law in the behaviour of HUESECKEN then they should approach HUESECKEN directly. In the event of a justified complaint, HUESECKEN will stop the violation immediately. A legal warning notice or judicial assertion of a claim is not necessary in such cases. HUESECKEN draws your attention to the fact that, because of the risk of repetition, should the Purchaser assert a violation of applicable law through a warning notice or by raising a claim in court, the costs incurred by the Purchaser in doing so must be borne by the Purchaser.

As of: 01/06/2020