General Terms and Conditions for Supply and Payment Issued by Salzgitter Mannesmann Grobblech GmbH

Effective as of 1st February 2019

SALZGITTER MANNESMANN GROBBLECH

A Member of the Salzgitter Group

A. General Provisions

I. Formation of Contract

1. Any provision of goods and services by us to any person other than a consumer in terms of § 13 German Civil Code [BGB] shall exclusively be based on the following General Terms and Conditions for Supply and Payment. Any terms and conditions of purchase of the purchaser are hereby rejected.
2. The goods to be delivered under the contract shall be limited to those produced by us unless otherwise agreed.
3. Our offers are non-binding.
4. Any order of the purchaser, regardless in which form it may be issued, shall, unless otherwise agreed, require our express declaration of acceptance in order to form a binding contract. After formation of the contract any change order of the purchaser shall, correspondingly, require our confirmation. Our failure to respond to any order or change order shall in no way constitute, or be deemed to constitute, any kind of acceptance or approval.
5. Any declaration by us as to the concluding, amendment or ending of a contract must be in writing; however, no qualified electronic signature shall be necessary unless agreed otherwise with the purchaser. Documents which we have generated automatically trough a partly-automated electronic order data processing shall be valid without any signature.
6. A framework agreement covering a fixed quantity to be delivered shall oblige the purchaser to accept and pay for the entire quantity to be delivered within the agreed period; any call-up order of the purchaser or part deliveries within the agreed run-up time shall be deemed to be a determination of the performance time for the respective part quantity.
7. A framework agreement which itemises only prices in relation to undefined delivery quantities, but which contains no obligations of the purchaser to accept specific quantities, shall not constitute any duty to supply on our part; any duty to supply shall be constituted only by way of a binding individual contract, the concluding of which shall be subject to our sole discretion.
8. Insofar as it is agreed with the purchaser that the purchaser may independently remove or request goods from a warehouse made available by us to the purchaser or any other warehouse to be supplied by us, the availability of goods in terms of the supply relationship shall be deemed to be a permanent offer – subject to any agreement to the contrary – , which shall, at the latest, be deemed to be accepted by any authorised removal or request for goods from the warehouse – regardless whether such removal is by the purchaser or by us at the request of the purchaser. We reserve the right to withdraw the right of the purchaser to remove or request goods from such warehouses at any time for any important reason – in particular in case of danger to existing or future claims for the purchase price, in case of irregularities in accounting, in case of any danger to the goods or in case of the ending of the supply relationship

II. Purchase Price and Payment Conditions

1. The purchase price shall be due not later than by the 15th calendar day of the month following the delivery ex works or the removal or request for such from the warehouse.
2. If it is agreed that the purchaser, within a certain timeframe following our provision of a notice of readiness for dispatch, is to issue a release for dispatch pertaining to ordered goods, we shall, from the expiry of such timeframe onwards, be entitled to store the goods for a charge and to invoice both the goods and the cost of storage; in such case the purchase price shall be due for payment 30 days from the date of invoice.

   The rights under clause A. II. 5 shall remain reserved.
3. Payment shall be without any discount for early payment so that the funds are available to us on the due date. The purchaser shall only be entitled to count up claims that are undisputed or final and absolute under a court judgment; any rights of the purchaser to retain monies shall be limited to those arising from the same contractual relationship.
4. In case of any failure to pay by the target date interest shall be charged at nine per cent above the basis interest rate.
5. Insofar as our claim for the purchase price is put at risk due to any subsequent circumstances which lead to a substantial deterioration of assets on the side of the purchaser, we shall be entitled to immediately declare such amount due for payment.
6. In case of clause 5 above, as well as in case of clause A. IV. 8, we may revoke any authorisation to collect (clause A. IV. 7) and demand payment in advance for any outstanding future deliveries.
7. The purchaser may avoid the legal consequences described in clauses 6 and A. IV. 8 above by providing a security which amounts to the payment due to us.

   If the purchaser in case of clauses 6 or A. IV. 8 does not provide advance payment or reasonable security within a reasonable deadline, we may withdraw from the contract to the exclusion of any rights of the purchaser to claim for compensation.
8. The provisions of law in relation to late payment and any defences based on uncertainty (§ 321 German Civil Code [BGB]) shall not be affected.
9. If any acceptance/testing of materials is agreed, the purchaser shall bear the costs for its own personnel and those of personnel it instructs and shall reimburse our expenses. Acceptance shall be carried out in the supplying plant.
10. Any additional services shall be paid for according to our current hourly rate for extra services, or alternatively according to the conventional local remuneration rate for comparable work.
11. In case of any substantial changes in the costs of raw materials, input materials, energy, transport or environmental protection or in case of the implementation of any new public charges or any substantial increase of existing public charges or in case of any burden of a similar effect, whether of a civil or public nature, which in total or individually lead to a substantial increase in our costs of performing the contractually owed goods or services in comparison to the costs used as the basis for concluding the contract, we may unilaterally increase the prices to the extent that such reflects a transfer of the actual increase in costs using the original basis of calculation; this shall not apply if the binding or non-binding delivery dates are within the first four months from the date of the concluding of the contract; furthermore, this shall not apply if the changes in costs were foreseeable in concrete terms. In relation to framework agreements in accordance with clauses A. I. 6 and A. I. 7 the above provisions shall apply accordingly on the basis that the four-month deadline shall commence from the time of the concluding of the framework agreement. Any increase in prices shall be limited to the actual changes in costs of the respective pricing elements and shall be notified to the purchaser without undue delay. The purchaser may terminate the framework agreement on an extraordinary basis or withdraw from the respective individual contract within two weeks of receiving notice of such to the exclusion of any further rights.

III. Securities

1. Notwithstanding our other legal and contractual rights, we shall be entitled to receiving a valuable security for all our claims arising from goods and services even to the extent that such claims are conditional or of limited duration. Our failure or omission to enforce our claim for securitization, regardless whether in individual cases or temporarily, or to exhaust the maximum possible amount, shall under no circumstances constitute a waiver of any right to such security.
2. When the purchaser fails to provide a demanded security, or fails, although having been requested to do so, to prolongate a rendered security which is about to elapse, we shall be entitled to exercise a right of retention and a right to deny access to stock withdrawals pertaining to any deliveries and services which have not been performed yet. After unsuccessful expiration of a deadline, we shall, to the exclusion of any claims for compensation of the purchaser, be entitled to withdraw from the contract concerning any goods and services that have not been performed yet.
3. Whenever we process or finish an item that has been supplied or made available to us by the purchaser, or whenever we render services in relation to such item or we use the item as an auxiliary means of performing our goods or services, a contract-based lien on such item shall be granted by the purchaser in our favour to support the securing of any payment claims for the processing or finishing as well as for any additional services. Any rights resulting from statutory liens shall not be affected thereby.

IV. Retention of Title

1. Any and all goods provided by us shall remain our property (retention of title goods) until such time as all claims, and in particular, claims related to any outstanding balances which are owed to us in relation to the business relationship have been satisfied. This shall also apply to future and conditional claims. We may label retention of title goods as such and prohibit the purchaser from removing or making unrecognisable such labels or require the purchaser to subsequently undertake such labelling.
2. The processing of any retention of title goods shall take place for us as manufacturer in terms of § 950 Civil Code [BGB] without us being subject to any duty. The processed and finished goods shall be deemed to be retention of title goods in terms of clause IV. 1.
3. Any processing, connection or mixing of the retention of title goods with other goods by the purchaser shall make us a co-owner in the new item in proportion to the invoice value of the retention of title goods and the invoice value of the other goods used. If the ownership of the supplier is extinguished by such connection, mixing, or processing, the purchaser hereby transfers to us in advance its own rights of ownership or expectant rights to the new stock or to the object to the extent of the invoice value of the goods subject to retention of title and, in case of processing, in proportion to the invoice value of the goods subject to retention of title and the invoice value of the other goods used, and shall store such for the supplier at no charge. Our rights of co-ownership shall be deemed to be retention of title goods in terms of clause IV. 1.
4. The purchaser may sell the retention of title goods only in the course of normal business activities subject to its normal business conditions and only if it is not in default, provided that the claims arising from the resale in accordance with IV. 5 and 6 are transferred to us. The purchaser shall not be entitled to dispose of the retention of title goods otherwise. The use of retention of title goods to complete construction contracts [Werkverträge] shall also be regarded as being a resale in terms of clause A. IV.
5. Any claims of the purchaser arising from the resale of retention of title goods are hereby assigned to us in advance. Such shall serve to the same extent as security for the retention of title goods in terms of clause IV. 1.
6. If the retention of title goods are sold by the purchaser in conjunction with other goods, the claim arising from the resale shall be assigned to us in proportion to the invoice value of the retention of title goods and the invoice value of the other goods. In case of a resale of goods in which we have a right of co-ownership in accordance with clause IV. 3, a share corresponding to our right of co-ownership shall be assigned to us.
7. The purchaser may collect any monies claimed arising from a resale unless we revoke the right to collect monies. We shall be entitled to revoke the right to collect monies as soon as our claim for payment concerning deliveries and services that have already been performed or that are going to be performed is at risk and the purchaser fails to render any other suitable security. Upon our request, the purchaser shall notify its customers at once of the assignment to us – insofar as such is not undertaken by us – and shall provide us with the necessary documentation to collect monies.

   In no event shall the purchaser be entitled to assign a claim.
8. If the purchaser is in default with payment, we shall, upon unsuccessful expiry of a deadline, be entitled to withdraw from the contract concerning the relevant goods. Following the withdrawal from the contract, we shall be entitled to prohibit any further processing of the goods and to claim for a return of the goods. We shall be entitled to recover the goods and, in connection therewith, to access the premises of the purchaser.
9. The purchaser shall notify us without undue delay of any lien or other encumbrances by a third party.
10. If the value of the existing securities in total exceeds the secured claim by more than ten per cent, we shall, upon the request of the purchaser, release security of our choice to such extent.

B. Subject Matter and Performance of Delivery

I. Delivered Goods and Origin of Goods

1. The goods to be delivered and the quantity and quality thereof shall be in accordance with the individual written agreement.
2. Any properties of the goods as per our confirmation shall always refer to the status at the time of supply to the customer and may be subject to significant alteration during or in connection with conventional subsequent processing (e. g. rolling, annealing, welding); hence the responsibility for the perpetuation of the confirmed properties shall pass to the party carrying out any subsequent processing.
3. There shall be no right to receive goods the origin of which, in terms of preferential customs regulations, is from the European Union, unless such a place of origin has expressly been agreed.

II. Delivery Reservations; Delivery Dates; Force Majeure

1. Delivery periods shall commence from the date of the confirmation of the order, but in no case, however, prior to complete clarification of any details of the order; this shall apply correspondingly to delivery dates.

   All delivery deadlines and dates shall be subject to a reservation of unforeseeable disruption of production and timely, correct and sufficient supply of the necessary raw materials, input materials and third-party services and, insofar as the contract covers trading goods, they shall be subject to the availability and timely, correct and sufficient deliveries to us.

   Any failure to meet delivery deadlines or delivery dates which were confirmed subject to reservation shall not constitute a default.
2. If the purchaser fails to timely perform any contractual duties – including its duty to assist or supplementary duties – such as the provision of a letter of credit, the obtaining of domestic or foreign certificates, the provision of advance payments or any similar matter, we may extend our delivery dates and deadlines to a reasonable extent – notwithstanding our rights in relation to the default of the purchaser – according to the requirements of our production procedures.
3. Compliance with delivery deadlines and dates shall be determined in terms of the time of the dispatch from the plant.
4. In case of force majeure the contractual obligations of both parties shall be suspended and the dates and deadlines for the performance of contractual duties shall be postponed correspondingly; force majeure shall include, without being limited to, labour disputes in our own or in third-party plants, substantial limitations to transportation, substantial mechanical failure, measures of any sovereign, and any other circumstances for which neither of the parties is responsible. Any event of force majeure shall be notified to the other party without undue delay. At the earliest after a six weeks period of a force majeure event either of the parties may withdraw from the contract to the exclusion of any duty to compensate. Any rights of the purchaser to withdraw under clause B. II. 7 shall not be affected thereby.
5. Having regard to the typical long preproduction period for the industry of the seller, the purchaser shall, in the event of non-compliance with delivery dates or deadlines, only be entitled to claim under §§ 281, 323 German Civil Code [BGB] if it has provided us with a further reasonable deadline for delivery which – at variance with § 281, § 323 German Civil Code [BGB] – is given in connection with a declaration that it will refuse to accept any delivery after the expiry of the deadline; in case of the expiry of the deadline without delivery any claim for performance shall be excluded. It shall not be necessary to set a subsequent deadline with a threat of non-acceptance in case of a final refusal by us to perform.
6. In case of default we shall be liable to the purchaser for all damage and expenses arising out of or in connection with delays in performance only in case we culpably failed to meet agreed delivery deadlines and dates; our liability shall be determined in this regard in accordance with the provisions of chapter C.

   Without affecting its legal obligations to mitigate damage, the purchaser shall in particular notify us in writing without undue delay of any recognisable pending damage resulting from delay. We reserve the right to advise the purchaser of the possibilities for covering purchases.
7. The purchaser may withdraw from the contract without setting any deadline if the entire delivery becomes permanently impossible for us before the transfer of risk. In addition, the purchaser may withdraw from the contract if, in relation to any order, the performance or any part of the order becomes impossible and it has a reasonable interest in refusing part delivery. If this is not the case, the purchaser shall pay the relevant portion of the contract price resulting from the part delivery. The same shall apply in case of our inability to perform. In addition, the provisions of chapter C shall apply.

8. The purchaser undertakes to fulfil the safety and reliability requirements issued by the German customs authorities for certification as an "Authorised Economic Operator" ("Zugelassener Wirtschaftsbeteiligter") (ZWB/AEO). Insofar as the purchaser itself does not have or has not applied for a recognition as an Authorised Economic Operator, it undertakes to provide us with a separate declaration in the form available from the customs authorities that it will comply with safety and reliability requirements. The purchaser undertakes to inform us at once if any safety or reliability requirements are infringed by it or any party used by it in terms of the contract performance or if compliance can no longer be ensured.

   We have the right to terminate any contract for an important reason if the purchaser does not comply with necessary safety and reliability requirements for recognition as an Authorised Economic Operator or, if it does not provide any safety declaration to us after being requested to do so or, if the purchaser or any party used by it for the performance of the contract substantially or repeatedly infringes such safety and reliability requirements.

III. Size, Weight, Quality

1. Any variations in size, weight and quality within the scope of valid technical standards shall be permissible.
2. Depending on the individual contractual stipulations, the invoicing shall either be governed by the factual and effective weight as determined by us using gauged scales ("effective weight"), or by the weight which has been determined by us by way of calculation on the basis of the dimensions and the specific gravity of the material ("theoretical weight"). The theoretical weight may, within the scope of permissible tolerances of the dimensions, slightly differ from the effective weight; this has been considered when fixing the purchase price. The purchaser must not designate a theoretical weight as a factual or an effective weight towards third parties.
3. The purchaser shall have the right to establish that any weighing procedure with respect to the effective weight is incorrect.

IV. Transport, Packing and Transfer of Risk

1. Generally, goods shall be transported at the expense and risk of the purchaser and we shall select a suitable carrier or transport company. At the request of the purchaser we shall arrange transport insurance at the expense of the purchaser.
2. For such transport, a freight supplement shall be charged in addition to the purchase price in accordance with the provisions agreed in the individual contract. All additional costs and expenses of transport not covered by the freight supplement shall, additionally, be invoiced to the purchaser.
3. In case of the collection of goods by the purchaser, we are entitled to refuse to load any vehicles which do not appear to be suitable for correct and safe transport or which are not equipped with the necessary securing devices.
4. The purchaser is responsible for unloading in relation to all means of transport. It shall return to the transport company all unloaded wagons and loading units fully emptied, correctly cleaned, decontaminated and complete with all moveable parts.
5. If the loading or transport of goods is delayed for reasons for which the purchaser is responsible, we may, at the expense and risk of the purchaser, store the goods at our discretion, undertake all steps which we regard as necessary for preserving the goods and invoice the goods as having been delivered.

   The same shall apply if goods notified as being ready for delivery are not called off within the stipulated timeframe. The provisions of law concerning late acceptance shall remain unaffected.
6. The goods shall generally be delivered unpacked and unprotected, and no resulting external corrosion, transport-related soiling or superficial affects whatsoever shall qualify as a defect as to quality. Special packing or protection measures (e. g. for long-term storage, transport by sea or transport during winter conditions) shall be provided only if expressly ordered and at a further charge. Under all circumstances it is highly recommended to transport the goods in dry conditions, to review the goods upon delivery as to an intrusion of any humidity and to make sure that immediate drying and expeditious processing take place in cases when humidity has occurred.

   We will accept the returning to us of any packing, protection and/or transport materials. No costs of the purchaser for the return transport or for its own disposal of packing materials shall be borne by us.
7. Insofar as no agreement to the contrary is reached, the risk for accidental loss or deterioration of the goods during transport shall pass to the purchaser upon the transfer of the goods to the transporting party, and otherwise upon the readiness for collection by the purchaser. If the goods are delivered or made ready at the request of the purchaser only upon its call up, risk shall transfer – depending on which occurs first – upon the transfer of the goods or upon the expiry of the agreed timeframe following the notice of readiness for transport. In case of any removal by the customer of the goods from a warehouse or store made available by us in terms of a further contractual arrangement, transfer of risk to the purchaser shall take place at the latest upon removal

V. Rights Arising from Defects

1. The contractual quality and the absence of defects of our goods shall be determined exclusively in accordance with the express agreements as to quality and quantity of the ordered goods at the time of transfer of risk on the condition that any production-related minor variations within the normal tolerance range for the industry shall not constitute a defect. Any liability for a particular purpose or a particular use will be accepted by us only if such is expressly agreed; otherwise the risks of suitability and use shall be exclusively with the purchaser. We shall not be liable for any deterioration or destruction or incorrect use of the goods after the transfer of risk.

   In case the purchaser intends to use our goods for safety-relevant items or elements, the necessary due diligence requirements and the subject, the number, and the range of safety inspections to be carried out by us must expressly be agreed in the contract. This shall not relieve the purchaser from his sole responsibility for any fitness for purpose or use.
2. The content of any agreed specifications and any other expressly agreed purpose shall not constitute a guarantee; any acceptance of a guarantee shall require a written agreement of such.
3. The purchaser shall inspect any goods received without undue delay upon receipt. Any right to claim for a defect which is perceptible during a reasonable inspection shall exist only if notice of such is given in writing without undue delay. Any hidden defect must be notified without undue delay upon discovery.

   After the carrying out of an agreed acceptance, notice of any defect which should have been detected during acceptance shall be excluded.

   The purchaser is expressly advised that any semi-finished products and heavy plates which are delivered by us may comprise material-conditioned discontinuities or irregularities (e. g. spills, cracks, blow or shrink holes, inclusions or microstructural defects), which cannot be avoided during the manufacturing process and which, despite the exercise of utmost diligence, might not always be detectable for us prior to dispatch. Such discontinuities or irregularities will often become visible not until a processing or metal forming process is imminent or takes place (e. g. pressing or bending). Hence, the purchaser shall, upon processing and forming of metal, be obliged to exercise particularly due diligence and a safety inspection both prior to and following any metal forming and shaping. Any and all items manufactured or made of semi-finished materials or heavy plates which have been delivered by us must always be thoroughly scrutinised prior to any subsequent processing, prior to installation with other items and prior to bringing on the market. In case of a resale of our goods, be it in a processed or a treated condition, or unaltered, the purchaser shall be obliged to notify his customer and any other third party, who is going to process or treat the goods within the intended use, of the aforesaid safety warnings, and to impose the aforesaid obligations of due diligence and safety inspections on the said parties.
4. In case of a notice of defect, the purchaser shall, without undue delay, give us the opportunity to examine the goods in question; upon request the goods in question or a sample of such shall be made available to us at our expense. In case of any unjustified notice of defect we reserve the right to charge the purchaser for freight, handling as well as testing expenses.
5. In case of goods sold as sub-grade material (e. g. so-called II-a material), the purchaser shall have no rights in relation to identified defects and other defects which would normally be expected.
6. In case of any defect, we shall provide subsequent performance [Nacherfüllung], which shall, at our choice – having regard to the interests of the purchaser – , either be made by way of a replacement delivery or by way of curing the defect; mandatory rights of the purchaser as provided by the law regarding subsequent performance shall not be affected.

We may refuse subsequent performance if such is possible only at a disproportional cost; mandatory rights of the purchaser as provided by the law shall not be affected.

If we fail to render the subsequent performance successfully within a reasonable period, the purchaser may set us a reasonable deadline for subsequent performance after the expiry of which the purchaser may either reduce the purchase price or withdraw from the contract.

Any further rights exceeding the rights as set forth in B. V. 6, e.g. to compensation or reimbursement of expenses without avail shall exist only in terms of the provisions of C.

7. The limitation period in case of a defect shall end – except in case of wilful acts or gross negligence – after the expiry of one year from delivery. For goods which in accordance with their normal use would be employed in the construction and which are defective, insofar contrary to sentence 1, the statutory limitation periods as per the German Civil Code [BGB] shall apply. §§ 445a, 445b and § 478 German Civil Code [BGB] shall not be affected. Any repair or replacement delivery shall not initiate the limitation period again.

   In case of personal injury or damage to privately-used property or in case of wilful acts, notwithstanding the above provisions, the respective statutory limitation periods shall apply.

8. Any right of recourse of the purchaser against us under §§ 445a, 445b and § 478 Civil Code [BGB] shall be limited to the extent permitted by law for defect claims made against the purchaser by third parties and shall be subject to the purchaser fulfilling its duty in relation to us to examine the goods and to notify us of any defects. The purchaser shall defend any unjustified claims. We shall neither be liable for any contractual extensions of the purchaser's liabilities in relation to its buyers or third parties nor for any guarantee covenants made by the purchaser towards its buyers or third parties nor for any compensation exceeding the amount which would be due according to the law, if granted by the purchaser to its buyers or third parties.

9. We shall neither be liable for any reclamation fees nor for any lump sum damages nor for any penalties whatsoever.

10. Insofar as the United Nations Convention of 11 April 1980 as to the International Sale of Goods (UN Sales Law) applies, such shall do so subject to the condition that any claims for damages or expenses against us due to defects in the purchased goods or for any other failure to perform shall only apply in case of any fault by our legal representatives or agents and only in terms of the limits set out in the following provisions of chapter C. The aforesaid limitations shall not apply to personal injury, damage to privately-used property or for cases where liability is required by mandatory law

C. General Limitations of Liability

1. Our liability for damages or expenses regardless of the legal basis shall be limited or excluded in accordance with the provisions of chapter C.

2. We shall be liable only in case of wilful acts or gross negligence of our legal representatives or agents or in case of a culpable and substantial breach of a contractual duty.

3. In case of a culpable and substantial breach of a contractual duty we shall be liable – except in case of a wilful act or gross negligence of our legal representatives or agents – only for typical, foreseeable damage.

4. Any liability for loss of production and loss of profit shall be excluded in all cases.

5. Our liability, regardless of the legal basis, shall be limited to the total contract value – in case of call-offs or individual orders based on a framework agreement limited to the contract value of the relevant call-off or individual order – insofar as no higher insurance coverage or rights to higher levels of compensation exist in relation to any third party outside of the group. In the event that the total contract value or the call-off or individual contract value without statutory turnover tax [Umsatzsteuer] is less than € 50,000, the amount of € 50,000 shall apply as the maximum level of liability insofar as no higher insurance coverage or rights to higher levels of compensation exist in relation to any third party outside of the group.

6. The limitations and exclusions of liability contained in these Supply and Payment Conditions shall not apply in case of wilful acts or in case of personal injury, damage to privately-use property or in cases where applicable mandatory law requires such liability

D. Miscellaneous

I. Taxes, Customs, Duties

1. In addition to the purchase price we shall invoice turnover tax (Umsatzsteuer) on sales in the Federal Republic of Germany at the respective applicable rate.

2. Any cross-border deliveries shall be excluding customs and tax. Insofar as customs, tax and other duties are levied, such shall be the responsibility of the purchaser.

II. Proof of Export

If the purchaser or a party instructed by the purchaser resident outside of the Federal Republic of Germany collects any goods and transports or sends such to a foreign country, the purchaser shall provide evidence of such to us by way of written documentation which satisfies the turnover tax law requirements of the Federal Republic of Germany. If such evidence is not provided within thirty calendar days of the transfer of goods, the purchaser shall pay the turnover tax on the invoice amount in accordance with the level of tax for deliveries within the Federal Republic of Germany.

III. Data Processing

1. Any data in connection with the contractual relationship and the processing of the contract shall be processed and stored automatically in an electronic data processing system.

2. We reserve the right to make available by electronic means to insurance companies as well as institutions for protecting suppliers' credit and any credit rating agencies any data on the contractual and payment processing and any other information suitable for determining credit worthiness in relation to the contractual relationship.

IV. Applicable Law

The law of the Federal Republic of Germany including the "Convention of the United Nations of 11 April 1980 as to the International Sale of Goods" shall apply exclusively to all legal relationships as between the contractual parties.

V. Place of Performance and Jurisdiction

1. The place of performance for delivery and payment for both contractual parties shall be Ilsenburg/Harz, Germany.

2. The exclusive place of jurisdiction shall be Magdeburg, Germany. We may also select the general jurisdiction of the purchaser.

This English version of the General Terms and Conditions is a translation of the German original text. In case of uncertainty or doubt, the German original text shall have preference and shall constitute the only valid and binding version.