

GENERAL TERMS AND CONDITIONS

GENERAL DELIVERY AND PAYMENT CONDITIONS OF HEINRICH GMBH (AS OF OCTOBER 2018)

VALID RANGE

1. These Terms and Conditions of Sale shall apply to entrepreneurs, legal entities under public law and special funds under public law.

Our deliveries and services are provided exclusively on the basis of the following terms and conditions. Terms and conditions of the partner which are not expressly recognised by us shall not be valid.

GENERAL TERMS AND CONDITIONS

2. The contracting parties shall immediately confirm verbal agreements in detail in writing.

3. Orders shall only become binding upon our order confirmation.

4. The information and illustrations contained in brochures and catalogues are approximate values customary in the industry, unless they have been expressly designated as binding by us.

LONG-TERM AND CALL CONTRACTS, PRICE ADJUSTMENT

5. unlimited contracts can be terminated with a notice period of six months.

6. should the prices for semi-finished products demonstrably and significantly change during the term of the contract, each contracting party shall be entitled to demand an appropriate adjustment of the price.

7. If a binding order quantity has not been agreed, we shall base our calculation on the non-binding order quantity (target quantity) expected by the partner for a specific period. If the partner purchases less than the target quantity, we shall be entitled to increase the unit price accordingly. If the partner accepts more than the target quantity, we shall reduce the unit price accordingly, provided that the partner has announced the additional requirement at least three months prior to delivery.

8. in the case of delivery contracts on call, unless otherwise agreed, binding quantities shall be notified to us by call at least three months before the delivery date. Additional costs caused by a delayed call-off or subsequent changes to the call-off with regard to time or quantity by our partner shall be borne by him; our calculation shall be decisive in this respect.

PRIVACY

9. Each contracting party shall use all documents (including samples, models and data) and knowledge obtained from the business relationship only for the jointly pursued purposes and shall keep them secret from third parties with the same care as corresponding own documents and knowledge if the other contracting party designates them as confidential or has an obvious interest in keeping them secret. This obligation shall commence upon first receipt of the documents or knowledge and shall end 36 months after the end of the business relationship.

10. The obligation shall not apply to documents and knowledge which are generally known or which were already known to the contracting party upon receipt without the

contracting party being obliged to maintain secrecy or which are subsequently transmitted by a third party authorised to pass them on or which are developed by the receiving contracting party without exploitation of documents or knowledge of the other contracting party which are to be kept secret.

DRAWINGS AND DESCRIPTIONS

11. If a contractual partner provides the other party with drawings or technical documents relating to the goods to be delivered or their manufacture, these shall remain the property of the submitting contractual partner.

SAMPLES AND PRODUCTION EQUIPMENT

12. Unless otherwise agreed, the manufacturing costs for samples and means of production (tools, moulds, templates, etc.) shall be invoiced separately from the goods to be delivered. This also applies to production equipment which must be replaced as a result of wear and tear.

13. The costs for maintenance and proper storage as well as the risk of damage to or destruction of the means of production shall be borne by us.

If the partner suspends or terminates the cooperation during the production period of the samples or means of production, all production costs incurred up to that point shall be borne by him.

15. The self-procured production equipment shall remain in our possession even if the partner has paid for it.

16. We shall keep the provided means of production free of charge for three years after the last delivery to our partner. Thereafter, we shall request our partner in writing to comment on further use within 6 weeks. Our obligation to hold the goods in safe custody ends if no statement is made within these 6 weeks or no new order is placed.

PRICES

17. Our prices are quoted in Euro and exclude value added tax, packaging, freight, postage and insurance.

TERMS OF PAYMENT

18. all invoices are due for payment according to the agreed term of payment on the invoice from the date of invoice.

19. If we have undisputedly delivered partially defective goods, our partner shall nevertheless be obliged to make payment for the faultless part, unless the partial delivery is of no interest to him. Otherwise, the partner may only set off counterclaims which have been legally established or are undisputed.

20. in the event of overdue payment, we shall be entitled to charge interest on arrears at the rate charged by the bank to us for current account credits, but at least 8 percentage points above the respective base interest rate of the European Central Bank.

21. In the event of default in payment, we may suspend performance of our obligations until payment has been received following written notification to the partner.

22. Bills of exchange and cheques shall only be accepted by agreement and only on account of performance and subject to their discountability. Discount charges will be charged from the due date of the invoice amount. A guarantee for timely presentation of the bill of exchange and cheque and for protesting the bill of exchange is excluded.

23. If it becomes apparent after conclusion of the contract that our payment claim is at risk due to the partner's inability to pay, we shall be entitled to refuse performance and to set the partner a reasonable deadline within which he must pay concurrently with

delivery or provide security. If the partner refuses or the deadline expires without success, we shall be entitled to withdraw from the contract and claim damages.

DELIVERY

24. Unless otherwise agreed, we deliver "ex works". Decisive for compliance with the delivery date or the delivery period is the notification of readiness for dispatch or collection by us.

25. The delivery period shall commence with the dispatch of our order confirmation and shall be extended accordingly if the requirements of Clause 55 are met.

26. Partial deliveries are permissible to a reasonable extent. They shall be invoiced separately.

27. Within a tolerance of 5 percent of the total order quantity, production-related excess or short deliveries are permissible. The total price shall change in accordance with their scope.

DISPATCH AND TRANSFER OF RISK

28. goods declared ready for dispatch are to be accepted by the partner immediately. Otherwise we shall be entitled to dispatch them at our discretion or to store them at the cost and risk of the partner.

29. Unless otherwise agreed, we shall choose the means and route of transport.

30. The risk shall pass to the partner upon handover to the railway, the forwarding agent or the carrier or upon commencement of storage, but no later than upon leaving the factory or warehouse, even if we have accepted delivery.

31. If we are able to foresee that the goods cannot be delivered within the delivery period, we shall inform the partner thereof immediately and in writing, inform him of the reasons for this and, if possible, state the expected time of delivery.

32. If the delivery is delayed due to a circumstance listed in Clause 55 or due to action or omission on the part of the partner, the delivery period shall be extended by an amount commensurate with the circumstances.

33. The partner shall only be entitled to withdraw from the contract if we are responsible for non-compliance with the delivery date and he has unsuccessfully set us a reasonable grace period.

RETENTION OF TITLE

34. We retain title to the delivered goods until all claims arising from the business relationship with the partner have been satisfied.

35. The partner is entitled to sell these goods in the ordinary course of business as long as he fulfils his obligations arising from the business relationship with us in good time. However, he may neither pledge the reserved goods nor assign them by way of security. He is obliged to secure our rights in the event of credited resale of the reserved goods.

36. In the event of breaches of duty by the partner, in particular default in payment, we shall be entitled to rescind the contract and take back the goods after the unsuccessful expiry of a reasonable deadline set for the partner; the statutory provisions on the dispensability of setting a deadline shall remain unaffected. The partner is obliged to surrender the goods.

We shall be entitled to withdraw from the contract if an application is made to open insolvency proceedings against the assets of the partner.

37. All claims and rights arising from the sale or rental of goods to which the partner is entitled and to which we are entitled shall be assigned by the partner to us as security. We hereby accept the assignment.

38. The partner shall always carry out any treatment or processing of the reserved goods

on our behalf. If the reserved goods are processed or inseparably mixed with other objects not belonging to us, we shall acquire co-ownership of the new object in the ratio of the invoice value of the reserved goods to the other processed or mixed objects at the time of processing or mixing. If our goods are combined or inseparably mixed with other movable objects to form a uniform object and if the other object is to be regarded as the main object, the partner shall transfer to us pro rata co-ownership insofar as the main object belongs to him. The partner shall hold the ownership or co-ownership in safe custody for us. In all other respects, the same shall apply to the object created by processing or combining or mixing as to the reserved goods.

39. The partner must inform us immediately of any enforcement measures taken by third parties against the reserved goods, the claims assigned to us or other securities, handing over the documents necessary for an intervention. This shall also apply to impairments of any other kind.

40. If the value of the existing securities exceeds the secured claims by more than 20 percent in total, we shall be obliged to release securities of our choice at the request of the partner.

DEFECTS

41. The condition of the goods shall be exclusively determined by the agreed technical delivery specifications. If we have to deliver according to drawings, specifications, samples, etc. of our partner, the latter shall assume the risk of suitability for the intended purpose. Decisive for the contractual condition of the goods is the time of transfer of risk in accordance with Clause 30.

42. For our deliveries, we comply with the applicable legal regulations of the European Union and the Federal Republic of Germany, e.g. the REACH Regulation (Regulation EC No. 1907/2006), the Act on the Return and Environmentally Compatible Disposal of Electrical and Electronic Equipment (ElektroG) as the national implementation of Directive 2002/95/EC (RoHS) and Directive 2002/96/EC (WEEE) and the End-of-Life Vehicles Act as the national implementation of EU Directive 2000/52/EC.

We will inform the partner immediately of any relevant changes to the goods, their delivery capability, use or quality, in particular caused by the REACH regulation, and coordinate suitable measures with the partner in individual cases.

43. We shall not be liable for material defects caused by unsuitable or improper use, faulty assembly or commissioning by the partner or third parties, normal wear and tear, faulty or negligent handling, nor for the consequences of improper modifications or repair work carried out by the partner or third parties without our consent. The same applies to defects which only insignificantly reduce the value or suitability of the goods.

44. Unless otherwise agreed, the limitation period for claims based on material defects shall be governed by the law.

45. If an acceptance of the goods or an initial sample inspection has been agreed, the notification of defects which the partner would have been able to ascertain with careful acceptance or initial sample inspection is excluded.

46. We shall be given the opportunity to determine the defect complained of. Goods complained of shall be returned to us immediately upon request; we shall bear the transport costs if the notice of defect is justified. If the partner does not fulfil these obligations or makes changes to the goods already complained about without our consent, he loses any claims for material defects.

47. In the event of a justified, timely notice of defect, we shall, at our discretion, repair the goods complained of or supply a faultless replacement.

If the value of the existing securities exceeds the secured claims by more than 20 percent in total, we shall be obliged to release securities of our choice at the request of the partner.

48. If we do not fulfil these obligations or do not fulfil them in accordance with the

contract within a reasonable time, the partner may set us a final deadline in writing within which we must fulfil our obligations. If this period expires without success, the partner may demand a price reduction, withdraw from the contract or carry out the necessary repair itself or have it carried out by a third party at our expense and risk. A reimbursement of costs is excluded if the expenses increase because the goods have been moved to another location after our delivery, unless this corresponds to the intended use of the goods.

The partner's statutory rights of recourse against us shall only exist insofar as the partner has not reached any agreements with his customer which go beyond the statutory claims based on defects. Furthermore, Clause 46, last sentence, shall apply mutatis mutandis to the scope of the rights of recourse.

OTHER CLAIMS, LIABILITY

50. Unless otherwise stated below, other and further claims of the partner against us are excluded. This applies in particular to claims for damages due to breach of duties arising from the contractual obligation and tort. We are therefore not liable for damages which have not occurred to the delivered goods themselves. Above all, we shall not be liable for loss of profit or other financial loss of the partner.

51. The above limitations of liability shall not apply in the event of intent, gross negligence on the part of our legal representatives or executive employees or in the event of culpable breach of material contractual obligations. In the event of culpable breach of essential contractual obligations, we shall be liable - except in cases of intent or gross negligence on the part of our legal representatives or executive employees - only for reasonably foreseeable damage typical of the contract.

52. Furthermore, the limitation of liability shall not apply in cases in which liability is assumed under the Product Liability Act for personal injury or property damage to privately used objects in the event of defects in the delivered goods. It shall also not apply in the event of injury to life, body or health and in the absence of warranted characteristics, if and to the extent that the purpose of the warranty was precisely to protect the partner against damage which did not occur to the delivered goods themselves.

53. Insofar as our liability is excluded or limited, this shall also apply to the personal liability of our employees, workers, staff, legal representatives and vicarious agents.

54. The statutory regulations on the burden of proof shall remain unaffected.

HIGHER VIOLENCE

55. Force majeure, industrial disputes, unrest, official measures, non-delivery of supplies by our suppliers and other unforeseeable, unavoidable and serious events shall release the contracting parties from their performance obligations for the duration of the disruption and to the extent of its effect. This shall also apply if these events occur at a time when the affected contractual partner is in default, unless he has caused the default intentionally or through gross negligence. The contracting parties shall be obliged to provide the necessary information without undue delay and to adjust their obligations to the changed circumstances in good faith.

PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND APPLICABLE LAW

56. Unless otherwise stated in the order confirmation, our place of business shall be the place of performance.

57. Our place of business shall be the place of jurisdiction for all legal disputes, also within the framework of a bill of exchange and cheque process. We are also entitled to sue at the partner's place of business.

58. The law of the Federal Republic of Germany shall apply exclusively to the contractual relationship. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG - "Vienna Sales Convention") is excluded.

These conditions have been drawn up on the basis of the non-binding recommendation of the WSM Wirtschaftsverband Stahl- und Metallverarbeitung e.V., Hagen/Düsseldorf.