

**General Conditions of Sale of
Manfred Reiner Röhren- und Stahlhandel GmbH
Version 04/2022**

§ 1 Scope

- (1) These General Conditions of Sale (Conditions) apply only to entrepreneurs, legal persons under public law or special funds under public law within the meaning of Section 310 (1) German Civil Code [BGB]. For drop shipments, the terms and conditions of the price list of the commissioned supplier plant apply as well. We only accept provisions of the Buyer that deviate from or contradict our Conditions if we have expressly done so in writing.
- (2) These Conditions also apply to all future business with the Buyer, provided they are legal transactions of similar kind.

§ 2 Offer and conclusion of the contract

- (1) Our offers are subject to change. Verbal agreements and assurances made by our employees before or at the time of conclusion of the contract shall only become binding upon our confirmation in text form. We are further entitled to accept an order by executing the order without prior confirmation.
- (2) Insofar as an order is to be deemed an offer with binding effect as per Section 145 BGB, we are entitled to a two-week acceptance period.
- (3) In case of doubt, the Incoterms in their currently valid version apply to the interpretation of trade terms. Quality and dimensions are determined according to DIN, EN, and ISO standards and material data sheets; if there are none, then according to what is customary for the trade. References to standards, material data sheets, or factory certificates as well as indications of quality, dimensions, weight, and usability of the goods do not constitute any warranties or guarantees, neither do declarations of conformity, manufacturer statements, and marks such as CE and GS.

§ 3 Provided documentation

We reserve all ownership and intellectual property rights of all documents provided to the Buyer upon order placement, for example calculations, drawings, etc. These documents must not be made accessible to third parties without our express written consent. If we do not accept the offer of the Buyer within the time of two weeks, this documentation must be returned to us immediately.

§ 4 Pricing and payment

- (1) Unless otherwise agreed in writing, our prices are quoted ex works or ex warehouse excluding packaging, freight rates, import duties, and the currently applicable value added tax. Packaging costs are invoiced separately.
- (2) The purchase price must be transferred only to our account. Discounts may only be deducted if there is a corresponding written separate agreement.
- (3) Unless otherwise agreed, the purchase price is due 10 days after delivery. Default interest is charged in the amount of 9 % above the respective base interest rate p.a. In addition, we are entitled to charge a flat-rate default fee in the amount of € 40.00. We reserve the right to the assertion of higher claims due to damage caused by default.
- (4) Provided that no fixed prices were agreed, we reserve the right to reasonable changes in pricing caused by changes in the cost of wages, material, and sales for deliveries occurring 3 months after conclusion of the contract or later. In particular, this applies in the event that levies and other third-party charges included in the agreed price change or arise to the corresponding amount as well as in case of drop shipments if and insofar as the prices or pricing components of the items to be delivered change in the time between the conclusion of the contract and delivery after the end of a 3-month period after conclusion of the contract.
- (5) Even if a fixed price agreement has been made, we may demand an adjustment of the contract, both in terms of price and quantity, if purchase prices increase by more than 20% after conclusion of the contract. If this is not reasonable for the buyer, he may withdraw from the contract with regard to the remaining quantity to be delivered.
- (6) If after concluding the contract it becomes apparent that our claim for payment is jeopardized by insufficient solvency of the Buyer or if the Buyer gets into arrears with a significant amount, or if any other circumstances arise that might lead to a deterioration of the financial circumstances of the Buyer after the contract is concluded, we are entitled to the rights described in Section 321 BGB. In that case, we are also entitled to demand immediate payment of all receivables not yet due from the current business relation.

§ 5 Rights of retention / Offsetting

The Buyer may retain or set off any counterclaims only in so far as such claims are undisputed or have become legally binding and as they are based on the same contractual relation with the Buyer and/or as they would entitle him to refuse the fulfilment of his contractual duties under section 320 BGB.

§ 6 Delivery time

- (1) Our supply commitment is subject to correct and timely supply on the part of our suppliers and in the case of import transactions also to the receipt of monitoring documents and import licences, unless we are at fault for the incorrect or delayed delivery. In particular, we are entitled to withdraw from the contract insofar as we have concluded a proper covering transaction but are not supplied by our upstream supplier for reasons for which we are not responsible, e.g. in the event of insolvency or lack of readiness to deliver on the part of our upstream supplier.
- (2) The indicated delivery times are approximate. The period of delivery begins on the date we confirm the order and only applies if all details of the order are clarified and the Buyer complies with all its duties in good time, for example the supply of all official certificates and permits, the presentation of letters of credit and securities, or making down payments. We reserve the right to raise objection to nonfulfilment of the contract.
- (3) Dispatching the goods from the factory or warehouse is sufficient for the observance of the deadline. If we cannot dispatch the goods for reasons we are not responsible for, the delivery is already considered as delivered on time with the notification of readiness for dispatch.
- (4) Circumstances amounting to force majeure entitle us to delay deliveries by the time corresponding to the duration of the impediment and a reasonable starting period. This also applies when any such events occur during an already existing delay. Circumstances amounting to force majeure include currency, trade and other sovereign measures, strikes, lock-outs, disruptions in operations not caused by us (for example fires, machine and roller breakage, lack of raw materials and power), obstructions on transport routes, delays caused by import/customs clearances and any other circumstances that, without us being at fault, significantly impede performance of delivery and services or render them impossible. It is irrelevant whether these circumstances occur at our location, at that of the supplier plant, or any other upstream supplier. If as a consequence of the aforementioned circumstances it is no longer reasonable to expect from one of the contractual parties to perform, the respective contractual party is entitled to withdraw from the contract.
- (5) Partial deliveries as well as excess or short deliveries by up to 10% are admissible.
- (6) If the Buyer is in default of acceptance or culpably violates any other duties to cooperate, we are entitled to demand reimbursement of any damages incurred, including any additional expenses incurred. We reserve the right to further claims. Provided the aforementioned prerequisites are fulfilled, the risk of accidental loss or coincidental degradation of the goods is transferred to the Buyer when default in acceptance or of debtor begins.
- (7) Other statutory claims and rights of the Buyer caused by delays in delivery remain unaffected.

§ 7 Delivery, transfer of risk, packaging, call-off orders, continuous deliveries

- (1) If the goods are sent to the Buyer at its request, the risk of accidental loss or coincidental degradation of the goods, including seizure, is transferred to the Buyer at the latest when the goods leave the factory/warehouse; this also applies to FOB, CIF, carriage paid, free house, and free delivered transactions. Whether the goods are sent from the place of performance or who is liable for the freight charges is irrelevant to the validity of the aforementioned provision. Unless instructed otherwise, we will select the forwarding agent or carrier. The Buyer must pay for the dispatch costs including unloading. We only insure the goods if the Buyer expressly instructs us to do so.
- (2) If dispatch is delayed by fault of the Buyer, we will charge storage costs beginning one month after notification of readiness for dispatch, but at least 0.7 % of the invoiced amount per month, unless the Buyer proves that the damage incurred was less. Further claims arising from default of acceptance remain unaffected.
- (3) The Buyer must report any damage to goods in transit to the carrier or to any other person entrusted with transport immediately in writing. The damage must be noted on the consignment note, the shipping mandate, or the delivery note and be signed by the delivering driver; alternatively, a damage protocol can be drawn up.
- (4) If the goods are not retrieved as contractually agreed, we are entitled to invoice the goods as delivered upon expiration of a reasonable grace period. If the dispatch of the goods is delayed for reasons attributable to the Buyer, the risk is transferred when the Buyer is notified of the readiness to dispatch.
- (5) The goods are delivered without packaging and without rust protection. We only provide packaging, protection and/or transport material according to our experience and only upon request and at the expense of the Buyer.
- (6) In contracts with continuous deliveries, the Buyer must provide calls and a delivery schedule of grades; otherwise we are entitled to determine these arrangements at our own discretion.
- (7) If the individual calls exceed the total contractually agreed quantity, we are entitled to deliver the excess quantity, but are under no obligation to do so. We are entitled to invoice the excess quantity at the prices that apply at the time the call or the delivery is made.

§ 8 Retention of title

- (1) We reserve the right to retention of title of the delivered goods until all receivables arising from the delivery contract have been settled in full. This also applies to future deliveries, even if we do not expressly refer to this term. We are entitled to take the purchased goods back if the Buyer is in breach of contract.

- (2) The Buyer must handle the purchased goods with care as long as ownership has not been transferred yet. In particular, the Buyer must sufficiently insure the goods against theft, fire, and damage caused by water at their original value and at its own expense (note: only admissible for the sale of high-grade goods). If maintenance or inspection work is necessary, the Buyer must carry it out in time and at its own expense. As long as ownership has yet to be transferred, the Buyer must inform us immediately in writing if the delivered object is seized or subject to any other interference from third parties. If the third party is not capable of reimbursing the judicial and extrajudicial costs of a legal action as per Section 771 of the German Code of Civil Procedure [ZPO], the Buyer is held liable for the losses we incur.
- (3) The Buyer is entitled to the resale of the goods subject to retention of title in the due course of normal business operations. The Buyer hereby cedes all claims from the resale of goods subject to retention of title owed by the purchaser amounting to the final invoiced amount (including value added tax) agreed with us. This cession applies independently of whether the purchased goods are resold in their original state or have been further processed. The Buyer remains entitled to collect any trade debts even after cession. Our entitlement to collect trade debts ourselves remains unaffected. However, we will not collect the trade debts as long as the Buyer fulfils its financial obligations with the proceeds received, is not in default of payment and, in particular, has not filed an application for the initiation of insolvency proceedings or if there is no cessation of payment.
- (4) All processing, modification, or remodelling work of the purchased objects carried out by the Buyer is always done in our name and on our behalf. In this case, the Buyer's expectant right to the purchased object continues to apply for the remodelled object. If the purchased goods are processed together with other objects not owned by us, we acquire co-ownership of the new object in proportion of the objective value of our purchased object to that of the other objects used at the time of processing. The same applies for mixing. If the objects are mixed in such way that the object of the Buyer is deemed the main object, it is hereby agreed that the Buyer transfers proportional co-ownership to us and thereby preserves the arising sole ownership or co-ownership for us. To secure our claims against the Buyer, the Buyer will also cede any such claims to us that arise from the combination of the goods subject to retention of title with property owed by a third party; we hereby accept this cession.
- (5) We commit to release the securities we are entitled to upon request of the Buyer provided that their value exceeds the secured claims by more than 20 %.

§ 9 Acceptance and weight

- (1) If acceptance has been agreed, it can only take place in the factory or in our warehouse immediately after notification of readiness for acceptance. The nature and scope of acceptance tests are determined by EN 10204 and the material standards. The costs for acceptance are based on the price list of the supplying factory. Any other testing costs are charged according to expenditure.
- (2) Regarding the weight of the goods, our weighing results or those of our supplier are authoritative. The weight slip is presented as proof of weight. To the extent permitted by law, the weight of products can be determined without weighing based on the pertinent standards. The marking ups and downs usual for steel trade in the Federal Republic of Germany (commercial weight) remain unaffected. The number of items, bales of material, etc. indicated on the dispatch note are non-binding for goods invoiced by weight. Differences from the calculated weight of individual items are distributed proportionally.

§ 10 Liability for defects, warranty, notification of defects

- (1) The internal and external characteristics of the goods, in particular their quality, grade and dimensions, shall be determined primarily in accordance with the agreed quality, in the absence of an agreement in accordance with the DIN and EN standards applicable at the time of conclusion of the contract, and in the absence of such standards in accordance with practice and commercial usage. References to standards and similar regulations, to test certificates in accordance with EN 10204 and similar certificates as well as information on grades, types, dimensions, weights and usability of the goods, information in drawings and illustrations as well as statements in advertising material shall not be deemed to be warranties or guarantees, nor shall declarations of conformity and corresponding marks such as CE and GS. Suitability and use risks are the responsibility of the buyer.
- (2) Insofar as the quality has not been agreed, the goods shall be free from defects if they are suitable for the use presumed under the contract. A use is contractually presumed only if we were informed of this use by the Buyer in text form at the latest upon conclusion of the purchase contract and have expressly agreed to this use in text form.
- (3) Insofar as the goods have the agreed quality in accordance with § 10 (1) or are suitable for the use stipulated in the contract in accordance with § 10 (2), the Buyer may not invoke the fact that the goods are not suitable for normal use or do not have a quality which is usual for goods of this type and which the Buyer has expected. In this respect, our liability is excluded in accordance with § 11 of these Conditions.
- (4) No liability is assumed for the usability of the goods for the purpose intended by the Buyer, unless the usability desired by the Buyer was the expressly confirmed purpose of the contract. In particular, no liability is assumed for the fact that disposals of the goods and their use are not or will not be hindered in any way by government regulations (e.g. embargo regulations or export licensing requirements).

- (5) For the inspection of the goods and the indication of defects the statutory provisions apply, it being understood that the duty to inspect the delivered goods includes the inspection of eventual test certificates according to or correlating to EN 10204 and any defects of the goods and test certificates are notified to us in writing no later than 7 days after delivery. Any transport damage can only be taken into account if it is noted on the delivery note. Defects that cannot be discovered immediately after delivery, even with the most careful inspection, must be reported to us in text form immediately after discovery.
- (6) In case the Buyer intends to install the goods into another object or attach the goods to another object, prior to installation resp. attachment, the Buyer has the obligation to inspect at least randomly the goods with regard to properties relevant for the application in question and to notify us of defects without delay. In case the Buyer, in the event of an installation of the goods into another object or attachment of the goods to another object, fails to inspect the properties of the goods relevant for the designated end use at least at random prior to installation resp. attachment, this represents a particularly grave disregard of the care required in the ordinary course of business (gross negligence) in relation to us. In such a case, the Buyer may assert rights in relation to these properties only if the defect had been deliberately concealed or in case of a guarantee for the respective quality of the goods.
- (7) If and in so far the Buyer's claim for defects is justified and has been made in time, we may, upon our discretion, remedy the defect (rectification) or deliver non-defective goods (subsequent delivery). Should we fail or decline the supplementary performance, the Buyer may resort to his statutory rights. In cases where the defect is only minor or where the goods have already been resold, processed or transformed, he may only reduce the purchase price.
- (8) In case the Buyer has installed the goods, in accordance with the goods' type and designated use, into another object or attached the goods to another object, he may claim reimbursement of his necessary costs for the dismantling of the defective goods and the installation or attachment of goods free from defects ("dismantling and installation costs") only in accordance with the following provisions:
- Necessary dismantling and installation costs are only those, which directly result from the dismantling resp. removal of the defective goods and the installation resp. attachment of identical goods, have accrued on the basis of competitive market prices and have been proven by the Buyer by appropriate documents in text form.
 - Additional costs of the Buyer for consequential damages such as e.g. loss of profit, down time costs or additional costs for cover purchases are no dismantling and installation costs and therefore not recoverable under Sect. 439 para. 3 of the German Civil Code. The same applies for sorting costs and for supplementary costs resulting from the fact that the sold and delivered goods are at a place other than the agreed place of delivery.
 - The Buyer is not entitled to request advance payments for dismantling and installations cost or other expenses required for the remedy of the defective delivery.
- (9) We will reimburse the Buyer for his expenditures in connection with the supplementary performance only in so far as such expenditures are reasonable and not disproportionate in relation to the value of the goods. Disproportionate expenditures are especially given in case the expenditures requested by the Buyer, in particular dismantling and installation costs, exceed 150 % of the purchase price of the goods invoiced by us or 200 % of the value of the defective merchandise. If the last contract in the supply chain is a consumer sale, the reimbursement of expenses shall be limited to the appropriate amount. Costs of the Buyer related to the self-remedy of defects without the legal requirements being fulfilled, are excluded, the same applies for costs for disassembly of the defective and assembly of replacement goods, in case due to a transformation of the buyer before the assembly, the assembled goods provide substantially different features than the original goods delivered by us. Expenditures accrued by delivery of goods to another place than that of the agreed performance, will not be accepted.
- (10) After execution of an agreed acceptance of the goods by the Buyer, the notification of defects that were detectable during the agreed type of acceptance shall be excluded.
- (11) If the buyer does not immediately give us the opportunity to convince ourselves of the defect, in particular if he does not immediately make the rejected goods or samples available for testing purposes upon request, all rights due to the material defect shall lapse.
- (12) No warranty shall be given to goods sold as declassified material with regard to such defects either specified in the contract or to those normally to be expected. Goods classified as "Ila-Ware" ("secondaries") are not subject to any warranty, subject to § 11 (2) of these Conditions.
- (13) Our further liability is subject to § 11 of these Conditions. Any of the buyer's rights of recourse according to section 445a BGB (German Civil Code) are excluded, unless the last contract in the supply chain is a consumer sale. Section 478 BGB (German Civil Code) shall remain unaffected.
- (14) The seller shall be liable for damages or reimbursement of futile expenses for material defects in accordance with § 11.
- (15) An unjustified claim for supplementary performance shall entitle us to damages if the buyer could have recognised with careful examination that there was no material defect.

§ 11 General limitation of liability and statute of limitations

- (1) For infringement of contractual and non-contractual obligations, in particular for impossibility, default, culpa in contrahendo and tort, we shall only be liable - also for our executives and other vicarious agents - in cases of wilful intent and gross negligence, in the latter case limited to the typical damage foreseeable at the time the contract was concluded.
- (2) The restrictions in § 11 (1) do not apply in the case of culpable infringement of essential contractual obligations, insofar as the achievement of the purpose of the contract is endangered. Furthermore, these limitations shall not apply in cases of mandatory liability under the Product Liability Act, in cases of injury to life, body or health and even if and to the extent that we have fraudulently concealed defects or guaranteed their absence. The rules on the burden of proof remain unaffected by this.
- (3) If we are in default with a delivery or other service, the buyer may claim compensation for the damage caused by default in addition to the delivery or other service; in the case of slight negligence, however, limited to a maximum of 10% of the agreed price for the delivery or other service in default. The buyer's right to claim damages instead of performance in accordance with § 11 (1) and § 11 (2) shall remain unaffected.
- (4) Unless otherwise agreed, contractual claims against us which arise for the buyer on the occasion of and in connection with the delivery of the goods and our other services shall be statute-barred one year after delivery of the goods. This shall not apply insofar as § 438 para. 1 no. 2 BGB, §§ 478, 479 BGB or § 634a para. 1 no. 2 BGB (German Civil Code) provide for longer periods as well as in cases of injury to life, body or health, in the event of an intentional or grossly negligent infringement of obligations by us or fraudulent concealment of a defect. In cases of defective supplementary performance, the statute of limitations shall not recommence.

§ 12 Supplementary provisions for export business

- (1) The parties will provide all information necessary to determine whether the export and/or import of goods is subject to any restrictions.
- (2) The Buyer is solely responsible for export and import licences. We are not liable for missing required permits and licences and for the consequential impracticability of the delivery or delays in delivery. The same applies if the required permits and licences cannot be subsequently produced or are revoked. The provisions of § 10 apply accordingly.
- (3) Should the contract not be feasible due to missing export and/or import licences, we are entitled to withdraw from the contract. In this case, we are also entitled to claim compensation for damages.

§ 13 Other provisions

- (1) This contract and the entirety of the legal relationships between the parties are subject to the law of the Federal Republic of Germany under exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- (2) The place of fulfilment and exclusive jurisdiction for all disputes arising from this contract is our place of business, provided nothing else has been agreed in the order confirmation.
- (3) All agreements made by the parties regarding the execution of this contract are laid down in writing in this contract.