

GENERAL TERMS AND CONDITIONS

for orders placed with Recknagel Präzisionsstahl GmbH, Hückeswagen

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Preamble

With our work we aim to contribute to the welfare, freedom, and peace among people. The harrowing experiences of the generation of our company's founders during times of war and bondage remain a compelling commitment for us. We respect in every regard the work you are doing in your field; however, we kindly request that you abstain from placing orders with our company that are destined for the manufacture of weapons of war.

A. GENERAL PROVISIONS / SCOPE OF APPLICATION

A 1.

The present General Terms and Conditions apply exclusively; they apply only in relations with traders for the purposes of sections 14, 310 of the German Civil Code [BGB]. Our products are aimed exclusively at **commercial** customers. We wish to stress that we do not conclude any contracts with consumers for the purposes of section 13 BGB.

We do not recognise any terms and conditions on the part of the customer that contradict or deviate from our Terms and Conditions, unless we have expressly agreed to them. Neither a lack of objection on our part nor the fulfilment of the customer's order shall be construed as an acknowledgment of the terms and conditions of a third party. Our Terms and Conditions shall apply even if we make the deliveries to the principal in full knowledge of the principal's contradictory or deviating terms and conditions without any reservation.

Our General Terms and Conditions are deemed to have been accepted at the latest upon acceptance of the goods or of the fulfilment of the order.

A 2.

Our General Terms and Conditions also apply to all further business relations with the customer; no further express agreement shall be required.

B. TECHNICAL ASPECTS

B 1. Tolerances and processing (e.g. precision ground, milled, etc.)

Precision flat steel is always produced with the tolerances and versions stated in the catalogue. Products custom made of the materials listed in the catalogue/online shop are produced in the width and thickness with the tolerances and processing stated in the catalogue/online shop for the material concerned, and lengthwise with the general tolerances according to DIN 2768 (medium), unless another version is agreed.

Tolerances and versions for customised dimensions of other materials and products must be agreed separately. In the absence of any specific agreement, the item will be manufactured in accordance with the standard product which it most closely resembles.

B 2. Hardened guide rails

As indicated in DIN 69 056-1:1992-01 for guide rails, hardened rails undergo a volume change of approx. +/- 1‰ during heat treatment. For the position tolerance of bore holes, please see section B4. Grooves that can no longer be processed after the heat treatment may have to be executed - in deviation from the specifications of the drawing - with increased dimensions in accordance with DIN 69 056 (see 'Explanations').

B 3. Nitrified rails

Nitration is an option to produce wear-resistant surfaces with a very low propensity to distort. However, nitrified areas necessarily entail some compressive stress in the surface. Hence, it is to be expected that in particular for thin fabricated parts, a volume change of approx. 1‰ may occur. For the position tolerance of bore holes, please see section B4.

B 4. Position tolerance

Accordingly, the position tolerance of the drill spacing (including for fitted drill bores) is defined - possibly in deviation from the specifications of the drawing - in accordance with DIN 69 056-1:1992-01 for guide rails. Through-holes and counterbores may have to be executed - possibly in deviation from the specifications of the drawing - with enlarged diameters in accordance with DIN 69 056.

B 5. Labelling

All products must be uniquely marked with the material number and the colour coding, possibly also with the dimension and other data. The colour coding is done in accordance with the colours used in the catalogue/online shop.

B 6. Packaging

All precision flat steel is packed individually with protection against corrosion. Larger, custom-made orders may be grouped into packaged units. We will always choose an appropriate option for transport packaging.

As a rule, smaller deliveries will be packed in stable cardboard cases, while larger orders will be packed in wooden crates or on pallets. We will accept returned transport packaging if undamaged and if returned free of charge to us.

C. COMMERCIAL ASPECTS

C 1. No minimum order value

We do not require a minimum order value or minimum quota, not even for special dimensions, VarioPlan® or VarioRond®. Order as much or as little as you actually need.

C 2. Discount/Premium

On larger orders, both of us can save money. We thus offer you a discount on our precision flat steel varieties PräziPlan®, EcoPlan®, VarioPlan®, VarioRond®, p-plates and erosion blocks in accordance with the value of the goods ordered.

And you can save even more if you order in our online shop: www.stahlnetz.de.

When you place your order in our online shop, you will benefit from the exclusive 'Stahlnetz' discount:

Value of goods per order	Stahlnetz discount	Catalogue discount
from 500 € to 2.000 €	2 %	
from 2.001 € to 4.000 €	5 %	4 %
from 4.001 € to 6.000 €	8 %	6 %
More than 6.000 €	10 %	8 %

C 3. Delivery / Transfer of risk

Delivery is always made ex works, including transport insurance. The price variation risk and title shall pass to the customer as soon as the goods leave the works or the storage facility; this shall apply irrespective of the party initiating or carrying out the shipping.

For delivery addresses in Germany, the costs for freight and packaging are indicated in the online shop; for deliveries outside Germany, the costs for freight, packaging and customs processing are to be agreed individually by the parties. If the value of the goods exceeds € 250, we deliver the precision flat steel varieties EcoPlan®, VarioPlan®, VarioRond®, p-plates and erosion blocks within Germany free of charge to the door.

Any delivery time frames or dates indicated by us are always merely indicative, unless we have expressly committed or agreed to a fixed time frame or date. If shipping has been agreed, the delivery time frames and delivery dates refer to the time of transfer to the freight forwarder, transport operator or to third parties otherwise commissioned to undertake the shipping.

Compliance on our part with the delivery time frame is contingent on the timely and proper fulfilment of the customer's obligations. Particularly in the case of custom parts produced in accordance with a drawing, the delivery time frame is contingent on the provision of accurate and legible technical drawings, while in the case of subcontracting, it is contingent in particular on the timely provision of the fabricated parts to be processed. If these obligations are not satisfied in full, the delivery time frame will be disrupted.

We shall not be held liable for the impossibility of delivery or for delivery delays if they are caused by force majeure or other events not foreseeable at the time the contract was concluded if those events are outside the scope of our responsibility. If such events that significantly impede or render our delivery or performance impossible, and if the hindrance is not merely of a temporary nature, we are entitled to withdraw from the contract.

We are entitled to make partial deliveries to a reasonable extent. Each partial delivery will be treated as the execution of a specific order within the meaning of these General Terms and Conditions and can be billed separately.

If we are in default of a delivery or performance, or if we are unable to make a delivery or performance, irrespective of the reason, we shall accept no liability except as provided for in Section C 11 of these General Terms and Conditions.

C 4. Conclusion of contract

Our catalogue and our online shop represent a non-binding invitation to the customer to submit an order. By placing an order for goods based on the catalogue or in our online shop, the customer submits a binding order to conclude a purchase agreement.

Irrespective of the means by which the order is placed (online, telephone, fax or letter), the contract shall be concluded only by means of our express confirmation of the order in writing or if delivery is made without any reservations. Moreover, we reserve the right to refuse to conclude a contract at all.

Our deliveries, performance and offers are made exclusively based on these General Terms and Conditions.

Side agreements, representations, amendments to the contract and other deviating agreements shall be effective only if expressly confirmed by us in writing.

Unless expressly stated to be binding, the particulars provided in our catalogue or online shop, in particular illustrations, drawings, descriptions, particulars of dimensions, weight, performance and consumption, delivery time frames and information in regard to the use of our products are indicative only. Minor deviations from the description shall be deemed as approved, provided that the customer can be reasonably expected to accept them, in particular as far as value-retaining or value-enhancing changes and/or deviations are concerned, or if the changes do not impair, or impair only to an insignificant extent, the usefulness of the product for the intended use. The same shall apply to subsequent deliveries.

Typing errors or calculation errors shall entitle us to withdraw from the contract if the customer refuses to accept a correction. In this case, the customer shall not be entitled to compensation.

C 5. Pricing

All prices are net prices, excluding any applicable VAT, and apply ex works or storage facility, excluding packaging. The prices printed in our catalogue shall apply as of 1 November 2019. Should prices change, the prices published on the www.stahlnetz.de online shop at the time the contract is concluded shall be decisive, errors excepted. There you will also find the latest version of our General Terms and Conditions, which can be downloaded or consulted online.

C 6. Payment

Unless otherwise agreed, payment shall always be made within ten days after the invoice date, subject to a 2% discount for early payment, or net within 30 days. Invoices for amounts of less than € 25.00 must always be paid net, without deductions. Based on a credit rating review, we reserve the right to demand prepayment before the start of the production or delivery.

C 7. Payment arrears

If the customer is in arrears with payments, we shall be entitled to withhold our deliveries and performance until the agreed consideration has been provided or withdraw from the contract after a reasonable grace period.

In the event of a withdrawal from the contract, the customer shall return any items already delivered without undue delay to us at the customer's own expense. In this case, we shall be entitled to assert claims for reimbursement of expenses, in particular for any shipping costs incurred, compensation for loss of value and for compensation for the use made of the goods.

In the event of payment arrears, we are entitled to charge default interest to the statutory permitted level. If we can provide proof of higher default damage, we shall be entitled to assert such higher damages.

In the event of payment arrears, we shall charge an amount in liquidated damages to the legally permitted extent. If the debtor fails to respond to the dunning notice, we shall be entitled to engage - at our choice - either a collection agency or lawyers to collect the claim. Any costs incurred in this connection shall be reimbursed - in the case of a commissioned collection agency, up to the maximum amount of the fees that may be charged pursuant to the Lawyers' Remuneration Act [RVG].

We shall be entitled to withhold any outstanding deliveries and performance if we become aware after the contract is concluded of circumstances that substantially reduce the credit rating of the customer, and due to which the payment of our outstanding receivables by the customer under the contractual relationship is in jeopardy.

The right to withhold performance shall lapse if the consideration is paid or security is provided for the payment.

Security shall be provided in the form of an unconditional, indefinite and directly enforceable surety bond of a bank or based in a member state of the European Union or Switzerland or of a European credit insurer based there.

C 8. Retention of title

The retention of title agreed herein shall serve to secure all of our current and future receivables from the customer resulting from the supply relationship existing between such customer and us.

We retain title to the sold goods - hereinafter referred to as goods subject to retention of title - until full payment of all secured receivables. Upon full payment, the title to the goods shall automatically pass to the customer.

The customer shall be entitled to resell the goods in the ordinary course of business. In this case, the customer hereby assigns all resulting receivables against the acquirer - in the case of co-ownership to a pro-rata extent in accordance with the rate of co-ownership - to us by way of security in the amount of the invoiced amount, including VAT.

Irrespective of this assignment, we authorise the customer to collect the receivables assigned to us in the customer's own name until further notice. This authorisation to collect the receivables shall be revoked only in the event that the security is to be liquidated.

If the contractual terms agreed between the acquirer and our customer contain an effective limitation of the right to assign such receivables, or if the assignment is dependent on the third party's consent, we must be promptly informed thereof in writing. In this case, the customer authorises us irrevocably to collect the receivable due to us in the name and for the account of the customer.

At the same time, the customer shall irrevocably instruct the acquirer to make payment for our benefit.

If the goods delivered subject to retention of title are to be processed, it is agreed that the processing shall be carried out in our name and for our account in such a manner that we directly acquire the ownership or - in the case that materials of multiple owners are processed, or if the value of the processed item is higher than the value of the goods delivered subject to retention of title - co-ownership in the newly created goods at the ratio of the value of the goods delivered subject to retention of title and the value of the newly created goods. If third parties lay claim to the goods delivered subject to retention of title, in particular in the case of an attachment order, the customer shall promptly inform the third parties about our title to ownership and inform us to permit us to assert our rights.

If we withdraw from the contract based on a breach of contract on the part of the customer, in particular in the event of payment arrears, we shall be entitled to request the return of the goods delivered subject to retention of title.

C 9. Transport damage

Transport damage must be notified to us and to the transport company responsible for the shipping without undue delay in writing upon receipt of the shipment. Hidden damage must be reported to us and to the transport company responsible for the shipping in writing within three days after their discovery.

C 10. Defects, warranty

The goods delivered must be carefully inspected without undue delay after their delivery to the customer or to the third parties specified by the customer. The goods shall be deemed to have been approved unless we receive a written notice of defect regarding evident defects or other defects that could have been detected in the course of a timely, careful inspection within seven working days after delivery or collection of the goods delivered, or otherwise within seven working days after discovery of the defect or any other earlier time at which the customer could have detected the defect in the course of regular use of the goods delivered without any specific inspection. Defects in parts of the goods delivered shall not entitle the customer to object to the delivery as a whole.

Unless our liability for defects is excluded pursuant to the preceding paragraph, a claim for defects shall be time-barred, except in cases in Section C 11, within one year, calculated from the date of the transfer of risk.

We warrant that our performance shall not be affected by defects in the material or processing that preclude or reduce the usefulness of the delivered goods for regular use at the time of the transfer of risk. We do not accept any further warranty beyond the above; in particular, we do not accept liability for circumstances beyond our sphere of influence at the time of the transfer of the risk, such as defects in the information and records provided to us by the customer. We do not accept any liability for damage caused by improper and unsuitable storage, use or modification of the goods by the customer or third parties, for natural wear and tear, for incorrect or negligent handling or for exceptional external circumstances beyond our sphere of influence, unless the customer is able to demonstrably show that those circumstances have not caused the notified damage.

To determine whether we are liable for a given case of damage, we shall be entitled - at our discretion - to either inspect the goods ourselves at the customer's premises, or to have the goods returned or delivered to us by the customer.

If liable, we will - at our discretion - either repair or replace the defective products within a reasonable period. If two attempts to replace or repair the defect fail, the customer shall be entitled to withdraw from the contract or demand a reduction of the remuneration. Under the aforementioned circumstances, we shall also be entitled to withdraw from the contract. The customer's rights pursuant to Section 311a(2) BGB shall remain unaffected.

Subject to the provisions of Section C 11, any further claims by the customer based on defects of the delivered goods, e.g. claims for damages due to consequential damages, shall be excluded.

Subject to the provisions of Section C 11, we shall not be liable for damage that does not affect the actual goods delivered, in particular not for loss of profit, business interruptions or other financial damage suffered by the customer.

Subject to the provisions of Section C 11, our liability for defects shall be limited to the amount of the regular value of goods of the defective item. Subject to the provisions of Section C 11, our liability for consequential damage and damage caused by delay shall be limited - at least in regard to the amount - to threefold the value of goods of the defective item, limited, however, to 50% of the value of the goods delivered during the last twelve months preceding the incident of damage; in this case, however, we shall be liable at least up to the regular value of goods.

The aforementioned provisions shall also apply with the necessary modifications for claims by the customer for damage caused by proposals or advice made as part of the commission or by a breach of ancillary contractual obligations.

Notices of defect do not affect the maturity of the payment, unless the defects have been acknowledged by us in writing or have been established with final and binding effect.

C 11. General limitation of liability

Unless otherwise stipulated in these General Terms and Conditions, there may be no claims for damages, irrespective of their legal cause. This shall not apply if the damage was caused intentionally or through gross negligence. The exclusion of liability shall also not apply in the case of a breach of essential obligations that define the contractual relationship, in the case of injury to life, body or health, or in the case of mandatory statutory liability pursuant to the German Product Liability Act. A breach of obligation on our part also includes a breach of obligation on the part of our legal representative or person used by us to perform our obligations.

Any claim for damages for a breach of essential obligations that define the contractual relationship is limited to the typical, foreseeable damage, except in the case of intent or gross negligence, or of a negligent or intentional injury to life, body or health, or in the case of mandatory statutory liability pursuant to the German Product Liability Act.

In cases where our liability for damages is excluded or limited, the exclusion or limitation of liability shall also apply to the liability of our workers, employees, representatives and persons used by us to fulfil our obligations.

If we are held liable for damages based on simple negligence, our obligation to compensate material or personal damage shall be limited to the insurance cover of our third-party liability insurance. The aforementioned shall not apply to the compensation for foreseeable, typical damage.

C 12. Limitation of liability in the case of subcontracting

In the event that orders are subcontracted in regard to products provided by the customer, the client shall be liable for ensuring that the provided products are suitable for the intended subcontracted works. The client is obliged to inspect their outbound goods accordingly prior to delivery to us. The client is obliged to make legible and comprehensible accompanying documents available in time. We shall not be liable for errors or defects that result from manufactured products that are unsuitable for the intended processing or from missing, incorrect or unclear accompanying documents.

If any subcontracting works carried out by us does not lead to the agreed result, we may either - at our discretion - refrain from charging the client in full or in part for our subcontracting work or redo the subcontracting work on a substitute component. We shall be liable for any damage to the component, limited, however, to the amount of the value of our subcontracting work performed on this component. We shall not be liable for any consequential or default damage. If agreed subcontracting works appear to be impossible to execute at all or impossible to execute in the agreed manner, we shall have the right to refuse to perform the further subcontracting works without being obliged to compensate any damage that may result from the refusal, irrespective of the grounds, unless a compulsory statutory provision precludes such exclusion of liability.

C 13. Returns

We will accept returned, undamaged standard goods that were not specifically procured or cut for the customer in customary quantities within a period of six weeks if returned free of charge for us to one of our plants, and we will credit the customer for the full purchase price of the goods. This right of return shall not apply to customer-specific goods, such as raw materials, VarioPlan[®], VarioRond[®] and precision flat steel in special dimensions or custom parts produced in accordance with a drawing, nor to exceptionally large quantities.

C 14. Miscellaneous

No claims of any nature may be assigned or transferred to another party in part or in full without our written consent. All business relations between the contracting parties shall be governed exclusively by the law of the Federal Republic of Germany subject to exclusion of the UN Convention on Contracts for the International Sale of Goods.

The place of performance and jurisdiction is Hückeswagen.