General Terms and Conditions of Delivery and Payment for Foundry Products
(Terms and Conditions Recommended by the DGV)

Goods and services will be supplied by us only in conformance with the terms and conditions named in the following. Other terms and conditions specified by Customer shall not apply even though we may have been notified of them, and delivery may be within the limits set by customary DVG regulations. They shall similarly apply to any future day-to-day execution of a contract made between us and Customer shall be laid down in the contract in whole or in part.

1 Contract Conclusion and Scope
a) Offers made by us will not be binding unless specified differently in an order confirmation or in an express written declaration made by us. A contract may be regarded as having been established only after we have issued a written confirmation or begun executing it.

b) Unless expressly designated as binding, any information quoted in prospectuses and in sales brochures or catalogs, photographs, drawings, blueprints, and other documentation or information provided by us shall not be construed as approximations in conformance with common practice in the industry.

C) We reserve all proprietary rights in photographs, prospectuses, cost estimates, and other documentation or information provided by us, and Customer may not be disclosed to third persons. This holds particularly true for written documents expressly marked as “Confidential”, which may not be disclosed to third persons without our express written consent.

2 Prices; Terms of Payment
a) Our prices will be quoted ex works, plus packaging, freight, postage, insurance, and VAT at the current rate.

b) In the event of any material change occurring in order-related costs after a contract has been concluded, parties will agree on an adjustment.

c) In the absence of agreements to the contrary, our invoices shall be paid promptly and in full.

d) Customer shall be entitled to withhold or offset payments against any claims which Customer may have only to the extent justified by undisputable or legally enforceable claims.

e) If any of the articles delivered by us should prove defective, Customer shall not be required to settle a claim against us unless the resultant incomplete consignment should be of no interest.

f) If expressly agreed in writing beforehand, we will accept discountable taxed bills of exchange or checks.

3 Delivery Terms
a) Starting from the date of our order confirmation, the term of delivery will begin only after all issues relating to the execution of the contract have been clarified and any other conditions to be met by Customer have been complied with; mutatis mutandis the same holds true for delivery deadlines. Deliveries in advance of set deadlines and partial deliveries shall be admissible unless this is not acceptable to Customer. The date of delivery shall be the day on which a consignment is reported ready for shipment or, alternatively, the day on which it is shipped. In the absence of agreements and/or transport conditions to the contrary, any delivery schedules quoted by us shall not be binding.

b) Without prejudice to our rights relating to any delay in performance on the part of Customer, deliveries named in agreements entered into and/or extended for as long as Customer fails to fulfill its obligations. In the event of Customer failing to accept delivery or culpably failing to fulfill any obligation to cooperate, we shall be entitled to claim compensation for any resultant loss including unscheduled expenditures. In such instances, liability for any risk of accidental destruction or damage of the consignment in question shall pass to Customer from the point in time at which Customer fails to accept delivery.

c) In the event of any default on our part, Customer may grant a reasonable respite, expressly stating at the same time that acceptance of the goods or services to be delivered will be rejected after the expiry of said term, after which Customer shall be entitled to withdraw from the contract.

d) At our request, Customer shall be obligated to state within a reasonable term whether it is intended to withdraw from the contract because of the delay in delivery and/or to claim damages in lieu of performance, or, alternatively, to insist on delivery.

4 Serial Deliveries, Long-term and Call-off Contracts
a) Unterned contracts may be terminated at six months’ notice to take effect at the end of the month.

b) In the event of the cost of labour, material, or energy changing to any material extent after the first four weeks of a long-term contract (meaning contracts with a term of 12 months or more and untermed contracts), both partners may demand that prices be reformed within reasonable limits to allow for these changes.

c) Our prices will be fixed based on agreed order volumes. In the absence of binding agreements to the contrary, they will be based on average agreed target volumes. Should actual orders fall short of agreed order or target volumes, we will be entitled to increase unit prices within reasonable limits. In the event of agreed volumes being exceeded, Customer and with our consent, Customer may demand that prices be reduced within reasonable limits, provided that this intention is declared in writing no less than 2 months before the agreed delivery date. Actual price increases or decreases will be based on our calculation.

d) In the absence of agreements to the contrary, Customer shall be obligated to submit call orders under a delivery contract no later than 3 months before the date of delivery, precisely specifying the quantities involved. Any additional expenses caused by delays in order placement or by subsequent changes by Customer in the timing or quantity specified in the call-up shall be borne by Customer in the amount invoiced by us.

e) In serial-delivery contracts, increasing or decreasing deliveries by as much as 10% above or below the volume originally ordered shall be admissible in view of the special features of the casting process. Accordingly, any resultant loss shall be charged to the customer.

f) Overall prices will change to reflect total quantities.

5 Force Majeure; Other Obstacles
a) In the event of force majeure, industrial disputes, lockouts, or official interventions, we shall be entitled to defer delivery while such obstructions persist as well as for a reasonable start-up time afterward; alternatively, we may withdraw from the relevant contract in whole or in part because of such partial default.

b) Similar to force majeure, unforeseen circumstances such as, for instance, production disruptions, rejects, and rework may make it impossible for us to deliver on time despite all reasonable efforts; any such occurrence will be documented by us.

6 Inspection; Acceptance
a) In the event of an acceptance test having been agreed upon, the scope and conditions of such a test shall be defined by the time a contract is concluded.

b) In the absence of such an agreement, the acceptance test will be conducted within the scope and under the conditions commonly applied by us. The same applies to initial sample inspections.

7 Dimensions, Weights, Volumes
a) In the absence of weight and volume conformance, claims and counterclaims resulting from such resale is transferred to us in conformance with Par. f) and g) unless and until we raise an objection. In the cases enumerated in Art. 9 Par. h) Customer shall be entitled to collect any amounts outstanding from sales under the relevant contract made between us and Customer shall be laid down in the contract in question. Contract modifications and amendments shall be laid down in writing.

b) Invoices will be made out based on weights and quantities established by us.

c) In the absence of specific instructions, transport media and transport routes will be chosen by us at our discretion.

d) Even if we have undertaken to handle the transport of a consignment, the associated risks will pass to Customer when it is handed over to a railway or haulage or forwarding company and/or one week after it has been first stored in a warehouse or, at the very latest, when it leaves our premises or the storage facility.

9 Reservation of Ownership
a) All goods delivered will remain our property (conditional goods) until all claims resulting from the business relationship in question have been fulfilled in full, including especially any claims outstanding from previous transactions. The above also applies to payments made to settle specifically designated claims.

b) In the event of partial deliveries being delayed, we may demand the return of any goods delivered at Customer’s expense. The above shall not apply, however, in the event of insolvency proceedings having been filed or opened against Customer, in which instance we would not be entitled to the immediate return of our goods.

c) Customer shall process any goods supplied in our name only. In the event of conditional goods being integrated in a product together with other goods, we thereby acquire a share in the products thus generated in proportion to the invoice value of our goods relative to the invoice value of the other objects included in the product at the time of manufacture.

d) In the event of our right of ownership expiring because the goods delivered have been amalgamated or blended with others, Customer hereby agrees to surrender in full all his or her rights to the newly-generated article in question, in proportion to any special claims outstanding from previous transactions.

e) Customer may sell conditional goods only in the normal course of business, provided that customer is not in default with any payments, and provided that titles in any transactions related to us are transferred to us.

f) Customer shall not be entitled to dispose of conditional goods in any other way.

g) Customer must pay constitute any claims from such resale of conditional goods to us.

Such claims may be used as collateral to the same extent as conditional goods.

h) In the event of conditional goods being sold by Customer together with other goods without our consent, the entire amount of the invoice value of the conditional goods actually sold. Should goods be sold in which we retain a share in conformance with Par. c), claims shall be assigned to us in the proportion of the value of such goods to the conditional goods.

i) Customer shall be entitled to collect any amounts outstanding from sales under Par. f) and g) unless and until we raise an objection. In the cases enumerated in Art.
2. we shall be entitled to object to such collection if any payments due from Customer are delayed, insolvency proceedings have been instituted against Customer, or Customer has suspended payment. In these cases, Customer shall without further delay inform us about any assigned claims and their debtors, including all details necessary for collection, hand over all relevant documents, and inform debtors about the assignment of the amounts due from them. Customer shall not be entitled to dispose of or settle the claims in any other way.

i) If the value of the collateral should exceed the total value of the relevant claims by more than 20%, we shall be obligated to release certain portions of the collateral at Customer's discretion. Customer shall report immediately any case of collateral being impounded or otherwise distinguished by third persons.

10 Liability for Defects

a) We hereby warrant that any components supplied by us will be free from defects as defined in any engineering specifications included in the contract by reference. It will be Customer's responsibility to ensure that products are properly designed, that relevant safety regulations are observed, that relevant materials and test procedures are properly selected, and that engineering specifications and the engineering documents handed over to us are free from errors and omissions, particularly with regard to their intended use. Furthermore, Customer shall be responsible for the serviceability of any manufacturing equipment provided, even in the event of any modifications proposed by us being implemented with Customer's approval. Lastly, Customer hereby warrants that no proprietary or other rights held by third persons will be infringed by Customer's information, Product conformity with contractual terms and conditions, and/or the product's fitness for use. Any defects in the product will be apparent in a noticeable manner.

b) We will not be liable for inconsequential nonconformities with agreed workmanship requirements, inconsequential impairment of a product's fitness for use, or any defects arising from the customer's or our incorrect or improper and/or delayed handling, improper and/or delayed or accidental destruction or deterioration of such equipment, nor will we be obliged to repair any such damage at Customer's expense after written notice. In the absence of good and sufficient reasons to the contrary, Customer may terminate this safekeeping relationship no earlier than two years after the transfer of ownership. Paragraph 11.1.c) shall apply mutatis mutandis.

c) Manufacturing equipment provided by Customer will be treated and kept by us with due care and diligence. Any hidden defects shall be reported immediately, while hidden defects shall be reported immediately on request.

d) Any agreement on acceptance or initial sample inspections as per Art. 6 automatically precludes subsequent complaints about defects that might have been detected in such inspections.

e) We must be given an opportunity to verify any defects reported by Customer. In urgent cases, i.e. whenever the operational safety of the product is in jeopardy, or Customer is threatened by extensive harm, any defects claimed shall be verified by us without delay. Any defective goods shall be returned to us immediately on request. Should Customer fail to comply with these obligations, or should any previously reported as defective be modified by Customer in any way, Customer's right to claim damages for defects shall be forfeited.

f) With regard to repairs to be performed by us in time, we may, at our discretion, either repair the products in question or supply replacements that are free from defects.

g) Should we fail to comply with our warranty obligations either entirely or within a reasonable time, or should our repair efforts remain unsuccessful for the time being, Customer may as a last resort set a term of grace for us to comply with our obligations. Setting a term of grace may be omitted if it should prove unacceptable to Customer. After the term has expired without avail, Customer may, at his discretion, opt to demand a price reduction, to withdraw from the contract, to have the products repaired in-house, or to commission a third party to effect the necessary repairs at our own cost and risk. Only repairs have been executed successfully either by Customer or a third party. Customer shall not be entitled to any further claims once relevant expenditures have been reimbursed by us.

h) Customer shall be entitled to regard the reimbursement of expenditures arising in conjunction with the repair of defects because the products in question have to be transported to another location shall be inadmissible inasmuch as the expenditure will be increased thereby, unless said transport is conformable with the contractual use of the product.

i) Customer's claims for indemnification against us shall be admissible only inasmuch as no agreement extending the legal scope of indemnification has been made between Customer and the original equipment manufacturer.

j) As provided in Art. 13, no further liability will be accepted.

k) Customer hereby undertakes to agree on the restoration and repair of a defect; and in cases of malicious silence with regard to a defect. Any legal regulations govern such matters, in particular with regard to the non-performance of obligations and to us.

11 Order-Related Manufacturing Equipment: Cast-in Parts

a) Order-related manufacturing equipment, including without limitation patterns, templates, core boxes, moulds, casting tools, rigs, and gauges provided by Customer shall be shipped to us free of charge. We will inspect any manufacturing equipment supplied by Customer or compliance with contractual specifications, drawings or patterns only if this has been expressly agreed. Manufacturing equipment provided by Customer may be modified by us if this appears necessary for technical reasons, and if no product modification is entailed.

b) Customer shall bear the expense of modifying, servicing, and replacing such manufacturing equipment.

(c) Manufacturing equipment provided by Customer will be treated and kept by us with due care and due diligence. Such equipment will be kept by us for a period of 3 years after the last casting has been made. Any manufacturing equipment provided by Customer that is no longer required by us may either return to Customer at Customer's expense and risk or, if Customer fails to respond to our request to retrieve such equipment within a reasonable time, we may keep such equipment at Customer's expense for a reasonable time at customary rates, to be destroyed at Customer's expense upon due written notice. In the absence of good and sufficient reasons to the contrary, Customer may terminate this safekeeping relationship no earlier than two years after the transfer of ownership. Paragraph 11.1.c) shall apply mutatis mutandis.

l) In the event of rejects appearing in the output of a piece of manufacturing equipment that can only be used once, Customer shall either provide a replacement or assume the cost of its procurement.

m) Parts to be cast in by us shall be dimensionally accurate and free from defects when supplied by Customer. Parts that can no longer be used because of production rejects shall be replaced by Customer free of charge.

12 Confidentiality

a) Both parties agree to use any and all documents (including without limitation patterns, samples, and data) and knowhow resulting from their business relationship in the field of engineering exclusively with regard to the common purpose. Whenever a party designates any information as confidential or shows an apparent interest in keeping such information secret, the other party shall be entitled to exercise the same caution as it would exercise in the case of its own confidential information.

b) The above obligation shall enter into force on the date on which said documenta-
tion or knowhow is first disclosed, terminating 36 months after the end of the business relationship.

13 Limitation of Liability

a) Without prejudice to any provisions to the contrary laid down in the following, we hereby disclaim liability for any claims Customer may make against us for whatever legal reason, particularly claims relating to the non-performance of obligations and to

b) The above limitation shall not apply whenever liability is mandatory, e.g. in cases falling under the Product Liability Act, in cases of wilful or gross negligence on the part of our statutory representatives or executives, or in cases of culpable non-
performance of major contractual obligations. Except in cases of wilful or gross negligence on the part of our statutory representatives and executives, we shall be liable for culpable non-performance of major contractual obligations only inasmuch as the resultant damage is typical of the contract in question and foreseeable within the context of the contract. Any legal regulations govern such matters, in particular with regard to the non-performance of obligations and to us.

c) Any liability exemptions and limitations shall equally apply to personal claims against our employees, associates, statutory representatives, and agents.

d) Any claims for compensation for damages and defects to which Customer may be entitled will expire one year after the resultant products have been delivered to the buyer. This provision does not apply in cases where the law prescribes longer terms such as Art. 438 Sub-subparagraph 1.2 BGB (buildings and objects commonly used in business or for the public good); in cases involving injury to life, body, or health; in cases of wilful or gross negligence on the part of the supplier; and in cases of malicious silence with regard to a defect. Any legal regulations govern such matters, in particular with regard to the non-performance of obligations and to us.

14 Place of Fulfilment and Jurisdiction

a) The place of jurisdiction for contracts concluded with an independent business shall be Garmersbach. As an alternative, we may institute proceedings against Customer at the court of its business location.

b) Unless shown differently in an order confirmation, the place of fulfilment for our part of the contract shall be the location of our production facilities. The place of fulfilment for any payments due shall be Garmersbach.

15 Governing Law

All contractual relations between the parties to this contract shall be interpreted solely under the laws of the Federal Republic of Germany, any application of the UN Con

16 Enforceability

In the event of one or more of the provisions of these Terms and Conditions of Pay

17 Partnership

Any amount paid in compensation, particularly in damages, should be determined as a pharmacological situation of the product to be destroyed at Customer's expense after a period of time at customary rates, to be destroyed at Customer's expense upon due written notice. In the absence of good and sufficient reasons to the contrary, Customer may terminate this safekeeping relationship no earlier than two years after the transfer of ownership. Paragraph 11.1.c) shall apply mutatis mutandis.

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