

General Terms and Conditions of Sale

High Tech Alloys

Sonderwerkstoffe GmbH

§ 1 General - Scope of application

(1) Our offers, deliveries and services are exclusively subject to these General Terms and Conditions of Sale; conflicting, deviating from or contradicting terms and conditions of the purchaser shall only apply insofar as we have expressly agreed to them in writing before executing the order. If our General Terms and Conditions of Sale do not contain any provisions, the statutory provisions shall apply.

(2) The Incoterms 2010 shall apply for the interpretation of the trade terms used in these Terms of Sale.

(3) Our terms and conditions of sale in their current version shall also apply to all future transactions with the buyer, insofar as these are legal transactions of a related kind.

(4) The buyer is not entitled to transfer rights and obligations arising from the order or the resulting contractual relationship to third parties without our consent.

(5) Our offers are subject to confirmation and non-binding, unless they are expressly marked as binding or contain an acceptance period. Upon the Buyer's order, the contractual relationship shall become legally binding under our terms of sale at the earliest upon receipt of our written order confirmation, but at the latest upon delivery of the goods. The written form of the order confirmation can only be waived by written agreement.

(6) Order extensions or order changes, contract supplements, oral collateral agreements, as well as statements, actions and omissions of our vicarious agents and agents shall only be valid if these are expressly acknowledged or intended by us in writing.

(7) We reserve all property and copyright exploitation rights to all documents sent to the buyer or in connection with the initiation of a business transaction to the interested party which are classified as advertising or pure information material. These documents may only be made accessible to third parties with our prior written consent.

§ 2 Prices - Payments and settlements

(1) Unless otherwise stated in writing in the order confirmation, our prices are quoted in euros "ex works (EXW)", excluding packaging and freight, as well as taxes, customs duties, levies and fees, plus value added tax, which the purchaser must pay in its statutory amount on delivery. With the exception of fixed price agreements marked as such, we reserve the right to make reasonable and industry-standard price adjustments between conclusion of the contract and delivery due to increased wage, material, energy and transport costs for deliveries made 3 months or later after conclusion of the contract. If the increase is more than 10% of the original price, the buyer can waive further continuation of the contract in writing within 5 working days after notification of the price adjustment.

Our prices do not include the metal and alloy surcharges applicable at the time, as well as any other

agreed surcharges if the latter have become an integral part of the contract.

(2) Unless otherwise agreed in writing, payments are to be made within 15 days of the invoice date in cash without any deduction to the following account: IBAN: DE40 3308 0030 0551 1690 00; BIC: DRESDEFF332

(3) The buyer shall be in default 16 days after the invoice date, without the need for a reminder, if the full invoice amount has not been credited to our account. In this case, default interest in the amount of 9 percentage points p.a. above the respective valid base interest rate of the European Central Bank as well as a lump sum of 40.00 € will be charged additionally. We reserve the right to assert a proven higher damage caused by default.

(4) The buyer may only set off claims from this contractual relationship against recognized, undisputed or legally established claims or may only assert a right of retention against such claims. We are entitled to offset all claims, including those arising from bills of exchange to which we are entitled against the purchaser.

(5) If, after conclusion of the contract, the risk of insufficient financial capacity of the buyer can be assumed (e.g. imminent insolvency), or the buyer falls into arrears, we are entitled to execute outstanding deliveries only against advance payment or security of the same amount recognized by us. If advance payment or provision of security has not been made even after expiry of a reasonable period of grace for reasons for which we are not responsible, we may withdraw from an order in whole or in part, while retaining further contractual and statutory rights, whereby we shall be entitled, for reasons beyond our control, to withdraw from the contract.

§ 3 Content and Scope of Delivery

(1) Minor deviations from dimension or quality are permissible within the framework of the applicable standards or special agreement in each case, quantity deviations or deviations in weight within the framework of standard industry and commercial margins shall be deemed to have been accepted. For order-related productions, the tolerance for quantity variances is +/- 5% possible. Deviations to this extent are not material defects within the meaning of § 424 BGB. For short or over-deliveries going beyond this, the buyer's obligations under commercial law to examine and give notice of defects in accordance with § 377 HGB (German Commercial Code) remain unaffected. If a quantity is delivered outside the above-mentioned quantity tolerances, this shall be deemed approved if the purchaser does not give notice of defects immediately after delivery or 14 days after discovery in the event of non-recognizability for which we are responsible. 377 HGB applies accordingly.

(2) The weights are determined on calibrated scales and are decisive for invoicing.

(3) The technical data contained in the Internet, in brochures, offers and other printed matter; illustrations, drawings, dimensional and weight data serve only to describe the product and are non-binding average values. They do not represent any guarantees, assurances or details of quality and do not constitute any guarantee of quality or durability unless they are expressly marked as such.

(4) The Buyer shall inform us of standards, regulations and laws applicable to deliveries at the Buyer's place of business and/or at the place of destination.

§ 4 Delivery time - consequences of delay

(1) If the buyer does not fulfil contractual obligations - including cooperation and ancillary obligations - such as opening a letter of credit, providing domestic or foreign certificates, making an advance payment or the like on time, incompletely or incorrectly, we shall be entitled to adjust our delivery times appropriately - without prejudice to our contractual and statutory rights arising from the buyer's default. All additional expenses resulting from this delay are to be borne by the buyer, provided that we are not responsible for them. We reserve the right to plead non-performance of the contract.

(2) Unless otherwise agreed in the contract, our delivery shall be ex works. Delivery times shall only be deemed agreed upon after express written confirmation. If the goods cannot be dispatched in time due to circumstances for which the purchaser is responsible, the delivery times shall be deemed to have been met upon notification that the goods are ready for dispatch.

(3) In the case of deadlines and dates which are not expressly designated as fixed in the order confirmation, the purchaser may set us a reasonable grace period for delivery at the earliest four weeks after their expiry. We may only be in default after expiry of this grace period.

(4) We are entitled to make partial deliveries to a reasonable extent.

(5) Delivery times shall be extended accordingly if non-compliance is attributable to reasons beyond our control, in particular force majeure (e.g. natural disasters, war, riots, acts of terrorism, strikes, actions or omissions by authorities) or other events over which we have no control and which make delivery considerably more difficult or impossible, such as operational disruptions at our premises and / or at our suppliers (e.g. B. Malware and attacks by third parties due to IT systems, fire, machine breakage, shortage of raw materials, procurement bottlenecks, in the event of theft/interference, transport delays, as well as late or faulty delivery by our suppliers). We will inform the purchaser immediately of any significant hindrance and its probable duration.

(6) If we are culpably in default of delivery without the possibility of contractual or statutory exemption, we shall be liable for the delay damage proven by the purchaser with a final lump-sum compensation of 0.5% for each completed week of default, but limited in total to 10.0% of the net sales price of the parts of the delivery the performance of which we are in default. Claims for damages with the proviso that the buyer informs us after knowledge of the duration of the delay in delivery of the amount of the expected damage caused by the delay.

(7) However, the buyer is entitled to withdraw from the part of the contract affected by the delay in delivery if no delivery or partial delivery takes place after exceeding the maximum compensation for delay and fruitless expiry of a further reasonable period of grace. We shall share in the proven additional costs of a cover purchase made for this reason, taking into account the lump-sum compensation for delay with a maximum of 25% of the net sales price of the part of the delivery in default.

The buyer cannot assert any further rights or claims for damages due to delay in delivery against us than those listed under paragraphs 6 and 7 of § 4.

(8) If the buyer defaults in acceptance or violates other duties to cooperate, we shall be entitled to claim compensation for the damage incurred by us, including additional expenses. In the event of this delay in acceptance on the part of the purchaser, the statutory provisions shall apply.

§ 5 Shipment and Transport / Transfer of Risk

(1) Unless otherwise expressly agreed, delivery, dispatch and transport shall be at the risk of the buyer. The risk passes to the buyer when the goods are handed over to the person carrying out the transport. The determination of the transport routes and means as well as the determination of the forwarding agent or carrier shall be made by us at our due discretion without any agreements to the contrary.

(2) If delivery, dispatch or transport is delayed for reasons for which we are not responsible, or if the purchaser is in default of acceptance, we shall be entitled to store the goods at our reasonable discretion, transferring the risk to the purchaser at the originally scheduled time and at the purchaser's expense, to take all measures deemed appropriate to preserve the goods and to invoice the goods as delivered. The same applies if goods notified as ready for dispatch are not called within four days. The statutory provisions in the event of default in acceptance shall remain unaffected.

(3) Upon acceptance or receipt of the shipping documents, the buyer shall inspect the deliveries and notify the carrier in writing of any transport damage or other complaints in connection with the shipment or transport. In the event of transport damage, the buyer must immediately send us a copy of the damage report.

(4) The buyer may not refuse acceptance of the delivery in the case of material defects which are customary in the product or industry and are defined as insignificant.

(5) Unless otherwise customary in the trade or agreed in the contract, the goods shall be delivered unpacked and not protected against corrosion.

(6) If the buyer or his representative collects goods not intended for the territory of the Federal Republic of Germany, the buyer must present us with all export documents that may be required.

§ 6 Annual, call-off and long-term contracts

(1) Annual and call-off orders with a contractually defined purchase quantity oblige the purchaser to accept the total quantity on which the annual / call order is based. Long-term contracts (unlimited contracts and contracts with a term of more than six months) can be terminated by us with one month's notice in addition to the statutory termination rights.

(2) If no specific call dates result from an annual/call order, the entire quantity is to be called within 12 monthly periods beginning with the conclusion of the contract.

(3) If the buyer fails to meet call dates, we shall be entitled to deliver and invoice the total quantity in full four weeks after written notification with reference to the consequences of the failure to call. Our rights due to a delay in acceptance and/or payment of the buyer remain unaffected.

(4) In the case of long-term contracts (contracts with a term of more than six months and unlimited contracts) there is a significant change in wage, material, energy and transport costs, we are entitled to demand an appropriate adjustment of the price taking these factors into account.

§ 7 Claims for defects

(1) The goods are in accordance with the contract if they do not deviate from the agreed specification at the time of the transfer of risk or only insignificantly according to standard product or industry assessment. The contractual conformity and freedom from defects of our goods shall be based exclusively on the express written agreements regarding the quality and quantity of the goods ordered. Liability for a specific purpose or a specific suitability shall only be assumed insofar as this has been expressly agreed; in all other respects, the risk of suitability and use shall be borne exclusively by the purchaser. Furthermore, we shall not be liable for material defects if improper modification or further processing of the goods has taken place by the purchaser or third parties after the transfer of risk.

(2) Contents of the agreed specification and any expressly agreed purpose of use do not constitute a guarantee within the meaning of §§ 443, 444 and 639 BGB, unless the information is expressly designated as such a guarantee in writing with reference to the statutory provisions;

(3) Claims for defects shall only exist if the purchaser has chosen the subject matter of the contract, irrespective of the method of dispatch and the rules of commercial purchase pursuant to §§ 377 ff. HGB (German Commercial Code), must be examined immediately upon receipt of the goods and recognisable material defects must also be notified to us in writing without delay. In the event that a material defect does not become apparent until later, the obligation to give notice of defects shall apply accordingly.

(4) In the event of complaints, the purchaser must immediately give us the opportunity to examine the goods complained about; the goods complained about or a sample thereof must be made available to us on request.

(5) In the event of a material defect, we shall, at our discretion and taking due account of the Buyer's interests, provide subsequent performance either by replacement delivery or repair. The place of subsequent performance is the place of dispatch of the contractual items. We shall only bear the costs necessary for the purpose of subsequent performance. If the contractual goods have been installed into another object by the buyer or a third party as intended within the scope of its intended use and if the intended final destination of the contractual goods are not with a consumer within the meaning of the German Civil Code (BGB), we will take over the actual costs, incurred for removal and replacement costs, incurred within the scope of subsequent performance against proof, up to a maximum of 10% of the net price of the defective object of the contract. Furthermore, the buyer can either reduce the purchase price appropriately or withdraw from the contract by returning the goods, but at the earliest after the unsuccessful expiry of two reasonable periods set by the buyer for subsequent performance, unless setting a deadline in accordance with the statutory provisions is unnecessary.

The plea of disproportionality according to § 439 IV BGB can only be asserted by us if the external and internal costs of subsequent performance exceed 100% of the net price of the defective goods under the contract, maximum 200% of the reduced value of the goods under the contract due to the defect.

(6) In the event of a defect of title, we shall be entitled to subsequent performance by remedying the defect of title within a reasonable period from receipt of the goods.

(7) The limitation period for all claims for defects ends 12 months from the transfer of risk. If we have remedied defects by subsequent performance, the limitation period for the repaired or newly delivered goods shall end upon expiry of the limitation period applicable to the originally delivered goods.

(8) Recourse claims of the buyer against us according to § 478 BGB only exist insofar as the buyer has not made any agreements with his customer that go beyond the legally mandatory claims for defects and the content of this § 7. Furthermore, it is a precondition that the purchaser has complied with his contractual and statutory duty to give notice of defects in accordance with § 377 HGB (German Commercial Code).

(9) The buyer is not entitled to any further or other claims and rights against us in connection with defects, unless these are given for compelling legal reasons.

§ 8 General Limitation of liability

(1) Insofar as these General Terms and Conditions of Sale, in particular for claims for damages and reimbursement of expenses as well as indemnification obligations, do not expressly regulate our liability otherwise, we shall be liable to the Buyer or, in connection with the initiation of a business relationship, to the interested party, in the event of a breach of our contractual and non-contractual obligations as well as in the context of tortious acts exclusively as follows:

In the case of material damage caused by slight negligence and financial loss resulting directly from the material damage only in the event of a breach of an essential contractual obligation, but limited in amount to the damage foreseeable and typical for the contract at the time of conclusion of the contract. The resulting liability, on whatever legal grounds, is limited to a maximum amount of EUR 125,000 per damage event for property damage and EUR 25,000 per damage event for pecuniary damage resulting directly from the property damage.

In the event of a grossly negligent cause of material damage or direct financial loss resulting therefrom, we shall be liable for the violation of any contractual and non-contractual obligations with twice the aforementioned liability amounts (EUR 250,000 per damage event for material damage and EUR 50,000 per damage event for financial losses resulting directly from the material damage).

(2) In no event shall we be liable to the Buyer, for whatever legal reason, for loss of profit, loss of production, interruption of operations, contractual claims of third parties, loss of use, loss of data and information, futile expenditure, financial expenses and other losses, financial losses and consequential damages, unless this liability obligation results directly from material damage to the Buyer caused by us.

(3) If the buyer is an intermediary for the goods delivered to him, he must indemnify us towards his customer with respect to liability resulting from regulations differing from the liability limitations existing between him and us in the internal relationship at our expense with his customer.

(4) In any case, our total liability towards the purchaser, on whatever legal grounds and including lump-sum claims for damages including all limitations of liability of these General Conditions of Sale for claims and rights, is limited in total to a maximum of EUR 1,000,000 per calendar year.

(5) Any further liability and other claims and rights against us, on whatever legal grounds, are excluded. All claims regulated under § 8 shall become statute-barred upon expiry of the limitation period for claims based on defects, but no later than three years after they arise. Limits and exclusions of liability in this contract shall also apply to our employees, subcontractors, vicarious agents and vicarious agents.

(6) If the legislator prescribes a mandatory or a sum-wise unlimited liability or a longer period of limitation, this applies.

§ 9 Retention of title

(1) Delivered goods remain our property (reserved goods) until all future or conditional claims, in particular also those balance claims to which we are entitled within the scope of the business relationship, have been settled.

(2) The buyer is obliged to keep the reserved goods in safe custody and to insure them comprehensively at his own expense against destruction and deterioration within a framework to be demanded in the ordinary course of business. The claims resulting from the insurance contract are assigned to us in advance. Upon request, the buyer must provide all necessary information about the stock of the reserved goods.

(3) If the buyer processes, combines or mixes the reserved goods with other goods, we shall be entitled to co-ownership of the new item in the ratio of the invoice value of the reserved goods to the invoice value of the other goods. If our ownership expires due to combination, mixing or processing, the purchaser hereby transfers to us the ownership or expectant rights to the new stock or item to which he is entitled to the extent of the invoice value of the reserved goods and keeps them in safe custody for us free of charge. The co-ownership rights to the processed and finished goods shall be deemed to be reserved goods within the meaning of Clause (1).

(4) The buyer is entitled to resell the object of sale in the ordinary course of business, provided that he has agreed to a retention of title and is not in default with his obligations, threatens insolvency and/or a prohibition of assignment with regard to the purchase price claim has been agreed between him and his customers. However, the buyer hereby assigns to us all claims against his customers with all ancillary rights in the amount of the final invoice amount agreed with us (including VAT, if applicable) accruing to him from the resale against his customers or third parties, irrespective of whether the purchased item has been resold without or after processing. Our authority to collect the claim ourselves remains unaffected by this. However, we undertake not to collect the claim as long as the purchaser meets his payment obligations from the proceeds collected, is not in default of payment and, in particular, no application for the opening of insolvency proceedings has been filed. If this is the case, we can demand that the buyer informs us of the assigned claims and their debtors, provides all information necessary for collection, hands over the associated documents and informs the debtor (third party) of the assignment.

The use of the reserved goods for the fulfilment of contracts for work and services and contracts for work and materials shall also be deemed to be a resale.

(5) Furthermore, the buyer is not authorized to assign the claims, not even on the basis of our direct debit authorization. This prohibition of assignment does not apply if it concerns an assignment by way of genuine factoring, which is notified to us and which we agree to in advance in writing and for which the factoring proceeds exceed the value of our secured claim. With the crediting of the factoring proceeds our claim becomes due immediately.

(6) We undertake to release the securities to which we are entitled at the request of the customer to the extent that the realizable value of our securities exceeds the claims to be secured by more than 30%; the choice of the securities to be released is incumbent on us.

(7) The buyer is obliged to actively participate in all measures which are necessary and permissible to secure our claims and to inform us immediately of any actions and interventions (e.g. seizures, execution measures) of third parties which could endanger the existence of the granted securities. If a legitimate

interest is substantiated, the buyer must immediately provide us with the information necessary to assert our rights and hand over documents.

(8) A retention of title asserted by us shall only be deemed a withdrawal from the contract if we expressly declare this in writing. All rights of the buyer to own the reserved goods expire if the buyer does not fulfil his contractual obligations. The buyer is then obliged to return the goods at our request after expiry of a reasonable period of time for the provision of the outstanding services.

(9) If the right of a country to which the reserved goods are delivered does not permit the retention of title as designed here, we can demand from the purchaser to provide us with equivalent securities, e.g. guarantees.

§ 10 Confidentiality and Data Protection

(1) All information and documents transmitted in writing or verbally to the buyer or in connection with the initiation of a business transaction to the interested party, which are recognizable as confidential in terms of content or an explicit marking, must be treated confidentially by the buyer or interested party and may be used exclusively for the execution of the respective contractual relationship without our written consent, without forwarding to third parties. This obligation shall remain in force irrespective of the termination of the contractual relationship.

(2) The buyer or interested party must guarantee the handling of the aforementioned information and documents in accordance with the current legal data protection provisions of the Federal Republic of Germany.

§ 11 Severability clause and Export Control

(1) Should provisions of these General Conditions of Sale be or become wholly or partially invalid or unenforceable, this shall not affect the validity of the remaining provisions. Instead of the invalid or unenforceable provision, a provision shall apply which, as far as legally possible, comes closest to what the contracting parties wanted or would have wanted according to the meaning and purpose of the contract, provided they had considered the point when concluding the contract.

(2) Our performance of the contract is subject to the proviso that there are no obstacles due to national or international foreign trade regulations or embargos and/or other sanctions. The Buyer shall comply with the applicable provisions of national and international (re)export control law, in particular the regulations of the Federal Republic of Germany, the European Union and the United States of America, when passing these on to third parties. The buyer is obliged to provide all information and documents required for export, shipment and import.



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§ 12 Place of jurisdiction - Applicable Law

(1) The sole place of jurisdiction for all disputes arising directly or indirectly from the legal relationship with the purchaser shall be our registered office. However, we are also entitled to sue at the buyer's place of business. 2. all legal relations between us and the purchaser shall be governed by the substantive and procedural law of the Federal Republic of Germany to the exclusion of private international law and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Status June 2018