



**General Terms and Conditions of Sale and Delivery of ELG Utica Alloys GmbH, Kremerskamp 16, 47138 Duisburg, Germany**

**1. General provisions**

1.1. These General Terms and Conditions of Sale and Delivery of ELG Utica Alloys GmbH, Kremerskamp 16, 47138 Duisburg, Germany ("ELG") apply exclusively to companies within the meaning of Section 14 *BGB* [German Civil Code], i.e. natural persons or legal entities, which, in respect of the purchase of goods, are acting in the performance of their commercial or independent professional activities (hereinafter referred to as "Purchasers").

1.2 These General Terms and Conditions of Sale and Delivery apply exclusively to all contracts concluded between ourselves and the Purchaser concerning the delivery of goods. Differing terms and conditions of purchase or other differing terms and conditions of the Purchaser shall not apply unless we have expressly acknowledged them in writing. In particular, our silence with regard to such deviating terms and conditions or the execution of our delivery shall not be deemed to constitute consent, not even in the case of future contracts and not even if the Purchaser's GTC provide for the acceptance of the order as unconditional recognition of these GTC.

**2. Quotation, conclusion of contracts, scope of delivery**

2.1 Our quotations are without engagement and not binding. If the Purchaser places a purchase order based on our quotations, a contract shall be concluded only upon our written order confirmation. In all other cases, the contract shall be concluded by delivery of the goods. The order confirmation shall govern the terms of the contract, in particular the scope of delivery and date of delivery.

2.2 After conclusion of the contract, changes to delivery dates, delivery periods or delivery quantities by the Purchaser are only possible with our prior written consent and only against payment of the costs thereby incurred.

2.3 Prices and performance data and other declarations or assurances shall be binding for us only if we have made or confirmed them in writing.

2.4 Any documents, drawings, details of weight, samples etc. enclosed with our quotation are only determined approximately. In particular, these are neither a guarantee nor is hereby a procurement risk assumed unless this is expressly indicated in writing as "guaranteed by law" resp. "assumption of a procurement risk". Any reference to standards and similar technical regulations shall also not indicate a property of our products unless this is expressly indicated as a "property of the product".

2.5 We shall only be obliged to deliver from our own stock (obligation to deliver from stock).

2.6 Estimates of cost, drawings and other documents provided by us shall remain our property. They may not be made accessible to third parties without our prior consent.

**3. Quality, dimensions and weights**

3.1 Quality and dimensions are determined by the relevant DIN standards resp. material numbers unless otherwise agreed. If no DIN standards or material data sheets exist, the corresponding European Norms shall apply in the absence of standards customary in the trade.

3.2 Weights shall be determined by the weighing performed by us or our supplier. The weight shall be proved by presenting the weighting certificate. If admissible by law, weights can be determined without weighing according to DIN. This shall not affect the increases and reductions (excess or short delivery of up to 10 %) customary in the steel trade of the Federal Republic of Germany.

3.3 The number of units or bundles stated in the advice of dispatch shall not be binding for goods calculated by weight. If it is not customary to weigh goods individually, the total weight of the consignment shall accordingly apply. Differences in relation to calculated individual weights shall be proportionately allocated to them.

**4. Prices**

4.1 Prices are euro prices unless otherwise stated and do not include turnover tax. This shall be invoiced separately at the respectively valid rate in accordance with respectively applicable tax provisions.

4.2 Unless otherwise agreed in writing, prices are ex works or ex our warehouse (EXW Incoterms 2020) and do not in particular include packaging and shipping costs and freight.

**5. Terms of payment, retention, set-off**

5.1 Unless otherwise agreed in writing, all payments shall be made free paying office at the latest within 30 days of the invoice date without deduction. Terms of payment shall be deemed met if the amount is at our disposal within the payment deadline.

5.2 In the event of default in payment, default interest of 9 percentage points above the respective base interest rate of the European Central Bank when the claim for payment becomes due shall be charged. The right to assert damage in excess of this is reserved.

5.3 The Purchaser shall have no right of retention unless it is based on the same contractual relationship. Set-off against disputed claims or claims which have not been recognised by declaratory judgment shall be excluded. We shall have the right to avert the exercise of a right of retention by provision of security, also by guarantee.

5.4 We shall have the right to request the Purchaser to provide securities or advance payments to an appropriate extent for our delivery.

5.5 We are entitled to assign claims and receivables from the contract against the Purchaser to third parties without the Purchaser's consent.

5.6 We shall have the right to set off claims, which the Purchaser or its affiliated companies are entitled to against us or companies affiliated with us, against our own claims or claims of companies affiliated with ourselves. Companies affiliated with ourselves within the meaning of this provision are such companies in which we hold a majority interest either directly or indirectly or such companies which hold an interest in ourselves. If required, we shall advise the Purchaser at first request the companies which are affiliated with us.

**6. Retention of title**

6.1 We shall retain title to the goods (goods subject to retention of title) until all claims against the Purchaser, to which we are entitled, have been met even if payment has been made for individual goods. Pledging of goods subject to retention of title or assignment of them as security shall not be admissible.

6.2 The Purchaser now already assigns to us, by way of precaution, the future claims against its customers arising for us from resale or rental, without the need for special declarations at a later date, in the event of the admissible resale or rental of the goods subject to retention of title in the ordinary course of business, until payment of all our claims. The assignment shall also cover balance claims resulting from existing current account relationships or from the termination of such relationships of the Purchaser with its customers. If the goods subject to retention of title are resold or rented together with other items, without a unit price being agreed for the goods subject to retention of title, the Purchaser shall assign to us, with priority over the remaining claim, that portion of the total price claimed resp. the total rent which corresponds to the value of the goods subject to retention of title invoiced by us. The Purchaser shall be authorised to collect the assigned claims from resale or rental until this is revoked. The Purchaser shall not, however, have the right to dispose of the assigned claims in another way e.g. by assignment. At our request, the Purchaser shall disclose the assignment to the customer and shall surrender to us the documents required to assert our rights against the customer e.g. invoices and shall provide the required information. All costs of collection and any intervention shall be borne by the Purchaser.

6.3 If the Purchaser processes the goods subject to retention of title, transforms them or combines them with other items, they shall be processed, transformed or combined for us. We shall become direct owner of the article manufactured by processing, transformation or combination. If this is not possible for legal reasons, we and the Purchaser shall agree that we are the owner of the new article at all times during processing, transformation or combination. The Purchaser shall keep the new article for us with the due diligence of prudent commercial judgment. Articles created from processing, transformation or combination shall be deemed goods subject to retention of title. Where an article is processed, transformed or combined with other items that do not belong to us, we shall have co-ownership of the new article in the amount of the portion resulting from the ratio of the value of the processed, transformed or combined goods subject to retention of title to the new article. If the new article is sold or rented, the Purchaser herewith assigns to us by way of precaution its claim with all



ancillary rights against its customer arising from the sale or rental without the need for special declarations at a later date. The assignment shall only apply, however, in the amount of the value of the processed, transformed or combined goods subject to retention of title invoiced by us. The portion of the claim assigned to us shall have priority over the remaining claim.

6.4 If the value of the security for our claims against the Purchaser from the ongoing business relationship totals more than 20 %, we shall be obliged, at the Purchaser's request, to release securities, to which we are entitled, at the Purchaser's option.

#### **7. Delivery, force majeure, delivery subject to own receipt of delivery, storage**

7.1 Specified delivery times are not binding unless otherwise agreed in writing. If delivery dates and periods are not binding or approximate (ca., about etc.), we shall use our best efforts to comply with them. Delivery periods agreed as binding in writing shall commence upon receipt of the order confirmation by the Purchaser but not before all details about the execution of the order have been clarified and all other requirements to be fulfilled by the Purchaser are met. This shall accordingly apply to delivery dates. Deliveries can be made before the delivery period ends.

7.2 If, for reasons for which we are not responsible, we do not receive deliveries from our suppliers or services from our subcontractors, which are necessary for the provision of our contractual deliveries or services owed to the Purchaser, or if we do not receive the deliveries or services free of defects or in due time, or if delivery delays or failures occur due to transport bottlenecks for which we are not responsible, or if events of force majeure of significant duration (i.e. with a duration of longer than 14 calendar days) occur, we shall inform the Buyer in good time in writing or in text form. In such cases, we shall have the right to postpone the delivery for the duration of the obstruction, or to rescind the contract in whole or in part for that part not yet fulfilled if we have met our foregoing duty to provide information and have not assumed a procurement risk. Events of force majeure are impediments beyond our control which could not have taken into account at the time of the conclusion of the contract and the consequences of which could not reasonably have been avoided or overcome, such as war, riots, pandemics, epidemics strikes, lock-outs, official intervention, energy shortages and shortages of raw materials, company obstructions through no fault of our own, e.g. due to fire and water damage, and damage to machinery, and any other obstructions which, when considered objectively, were not caused by our negligence.

7.3 If a delivery and/or service date or delivery and/or service period is agreed with binding force and the agreed delivery or service date or the agreed delivery or service period is exceeded due to events according to paragraph 7.2 above, the Purchaser shall have the right, after a reasonable extension of time has elapsed without success, to rescind the contract for that part of the contract not yet fulfilled. The customer shall have no further claims, in particular claims for damages, in this case, if we have met our foregoing duty to provide information. The above provisions pursuant to paragraph 7.2, sentence 1 and 2, shall apply accordingly if the Purchaser cannot be objectively expected to adhere further to a fixed delivery and/or service date for the reasons stated in paragraph 7.3, also if this is not contractually agreed.

7.4 If shipment is delayed at the Purchaser's request or for reasons, for which the Purchaser is responsible, we shall have the right to store the goods, beginning upon expiry of the reasonable period set in writing or text form in the notice that the goods are ready for shipment, at the Purchaser's risk of loss and deterioration of the goods, and to invoice the costs incurred for this at 0.5 % of the net invoice amount of the stored goods for each full week or part thereof (up to a maximum amount of 10 % of the net invoice amount for the stored goods). The stored goods shall only be insured at the Purchaser's specific request. This shall not affect the assertion of further rights. The Purchaser shall have the right to prove that no costs or considerably lower costs were incurred.

#### **8. Radioactivity**

8.1 The Purchaser shall be obliged to monitor incoming goods with state-of-the-art radioactivity measuring devices before the material is mixed with material from other suppliers.

8.2. If the Purchaser determines that relevant limit values are exceeded, the Purchaser shall notify us immediately in writing and give us the opportunity to carry out our own measurements. If our measuring confirms that relevant limit values are exceeded, we shall assume the costs of this measuring and take back the goods in question at our expense. The

requirements of para. 10 and 11 below shall furthermore apply.

#### **9. Passing of risk**

9.1 The risk of accidental loss or accidental deterioration of the goods shall pass to the Purchaser upon the delivery item being handed over by us to the forwarding agent, carrier or third parties otherwise appointed to handle the shipment. This shall also apply if partial deliveries are made or we have taken over other services (e.g. shipment or installation).

9.2 If shipment is delayed due to circumstances for which the Purchaser is responsible or the shipment is sent at the Purchaser's request at a date which is later than the agreed delivery date, the risk shall pass to the Purchaser from the date on which the notice is sent stating that the delivery is ready for shipment for the period of the delay. We shall be obliged at the Purchaser's request and expense to take out the insurances requested by the Purchaser.

9.3 Deliveries shall not be insured against theft, breakage, transport and fire damage without specific request by the Purchaser. If the Purchaser requests the conclusion of an insurance policy, this shall be concluded at the Purchaser's expense. The Purchaser shall provide any cooperation required.

#### **10. Claims for defects**

10.1 The Purchaser shall inspect the goods immediately upon receipt if this is expedient in the ordinary course of business and, if a defect in quality or quantity is found, shall notify us immediately in writing by giving a notice outlining the details of the alleged defect, which are necessary to assess its validity. Hidden material defects must be reported to us by the Purchaser immediately after discovery, but at the latest within the warranty period according to para. 10.9. Negotiations on any notices of defects shall not constitute our waiver of the objection that the notice was not in due time, unfounded in fact or otherwise insufficient.

10.2 Failure to give notice of defects in due form and/or time shall exclude any claim of the Purchaser for material defects. This shall not apply in the event of intentional or fraudulent action on our part, the assumption of a guarantee by law of freedom from defects by us or in the event of liability under the Product Liability Act. Sections 377 et seq. HGB [German Commercial Code] shall furthermore apply.

10.3 Obvious damages sustained during transport or other defects recognisable already at the time of delivery must also be confirmed by the deliverer's signature on the respective transport document when delivery is accepted. The Purchaser shall ensure that a corresponding confirmation is provided.

10.4 In the event of a defect, the Purchaser shall refrain from any (further) consumption of the goods and store them separately from other goods of third parties. If further goods from the same delivery are consumed after the notice of defect has been raised without giving us the opportunity to inspect them, the goods shall be deemed to have been approved and the Purchaser must pay the contractually agreed purchase price for the consumed goods in full. The same applies to all goods from this delivery which have been consumed without complaint before the notice of defect was raised.

10.5 We and the Purchaser may mutually agree to have the alleged defect examined by an independent expert within a reasonable period of time if and to the extent that we cannot agree on a defect. In this case, the expert's analysis shall be binding on any agreement and the expert's costs shall be borne by the party whose own analysis of the weight and/or quality differs most from the expert's analysis.

10.6 Supplementary performance shall be provided at our option by remedying the defect or supplying an article free of defects. If supplementary performance fails, the Purchaser shall have the right at its option to make a reduction or rescind the contract. This shall not affect the right to assert damages according to paragraph 11 of these General Terms and Conditions of Sale and Delivery.

10.7 The place of rectification of a defect shall be the place to which we have delivered as agreed. If the costs of rectification increase due to the fact that the Purchaser has taken the goods to a place other than the place of our delivery, the resulting costs shall be borne by the Pruchaser.

10.8 Upon commencement of processing, treatment, combination or mixing with other items, the goods shall be deemed to have been approved by the Purchase in accordance with the contract in the event of recognisable material defects. The same shall apply in the event of onward shipment



from the original place of destination. Before commencing any of the aforementioned activities, it shall be incumbent on the Purchaser to clarify by means of appropriate tests in terms of scope and methodology whether the delivered goods are suitable for the processing, procedure and other uses intended by it.

10.9 Claims for defects shall become statute-barred within one year after the risk passes pursuant to paragraph 9 of these General Terms and Conditions of Sale and Delivery. This shall not apply in the cases pursuant to paragraph 11.2 of these General Terms and Conditions of Sale and Delivery.

## **11. Liability**

11.1 We shall not be liable, in particular not for claims by the Purchaser for damages or reimbursement of expenses, for whatever legal reason, and/or for breach of duty from the obligation and tort.

11.2 The above exclusion of liability shall not apply

- in the case of own intentional or grossly negligent breach of duty and intentional or grossly negligent breach of duty by legal representatives or vicarious agents;
- in the case of violation of material contractual obligations; material contractual obligations are obligations, the fulfilment of which determines the contract, and on which the Purchaser may rely;
- in the event of injury to life, limb and health, also caused by legal representatives or vicarious agents;
- where we have assumed a guarantee for the quality of the goods or the existence of an outcome of performance, or a procurement risk;
- in the case of liability under the *Produkthaftungsgesetz* [German Product Liability Act] or other mandatory statutory liability.

11.3 If we or our vicarious agents are responsible only for slight negligence and none of the cases specified in paragraph 11.2 in bullet points 1, 3, 4 and 5 above exist, our liability shall be limited in amount, also in the case of violation of material contractual obligations, to typical and foreseeable damages at the time the contract was concluded.

11.4 Any further liability shall be excluded.

11.5 Exclusion resp. limitation of liability pursuant to paragraph 11.1 to 11.4 above and paragraph 11.6 shall apply to the same extent for the benefit of our executive and non-executive employees and other vicarious agents as well as our sub-contractors.

11.6 If the Purchaser is entitled to damage claims according to this paragraph 11, these shall become statute-barred upon expiry of the statutory limitation period applicable to the warranty claims for defects pursuant to paragraph 10.9 of these General Terms and Conditions of Sale and Delivery. Paragraph 11.2 of these General Terms and Conditions of Sale and Delivery shall apply accordingly.

11.7 There is no connection between the reversal of the burden of proof and the foregoing provisions.

## **12. Export control / Product approval / Import regulations**

12.1 In the absence of any contractual agreements to the contrary with the Purchaser, the delivered goods are intended for placement on the market for the first time within the Federal Republic of Germany or, in the case of delivery agreed outside the Federal Republic of Germany, within the agreed country of first delivery (*first country of delivery*).

12.2 The export of certain goods by the Purchaser from there may be subject to authorisation e.g. because of their nature or intended purpose or final destination. The Purchaser itself shall be obliged to check this and to comply strictly with the relevant export regulations and embargos for these goods, especially of the European Union (EU), Germany resp. other EU Member States and, if applicable, the USA or Asian or Arab countries and all third countries involved, if the Purchaser exports the products supplied by us or has them exported.

12.3 The Purchaser shall in particular check and ensure, and, on request, provide evidence to us that

- the goods provided are not intended for use in armaments, nuclear facilities or weapon technology;
- no companies and persons specified on the US Denied Persons List

(DPL) are supplied with original US goods, US software and US technology;

- no companies and persons specified on the US Warning List, US Entity List or US Specially Designated Nationals List are supplied with original US products without relevant authorisation;
- no companies and persons are supplied who are specified on the List of Specially Designated Terrorists, Foreign Terrorist Organizations, Specially Designated Global Terrorists or the EU Terrorist List or other relevant negative lists for export controls;
- no recipients are supplied that violate other export control regulations, especially of the EU or the ASEAN countries;
- all early-warning indications of the competent German or national authorities of the respective country of origin of the delivery are complied with.

12.4 Goods supplied by us may only be accessed and used if the above-mentioned checks and assurances have been carried out resp. provided by the Purchaser; otherwise the Purchaser must refrain from carrying out the intended export and we shall not be obliged to perform.

12.5 Where goods supplied by us are passed on to third parties, the Purchaser undertakes to oblige such third parties in the same way as specified in para. 12.1-12.4, and to notify them of the need to comply with these legal provisions.

12.6 The Purchaser shall at its own expense ensure, where delivery outside the Federal Republic of Germany is agreed, that the goods to be supplied by us comply with all national import regulations of the first country of delivery unless we have expressly assumed this obligation.

12.7 The Purchaser shall indemnify us against all damages and expenses resulting from the negligent breach of the foregoing obligations pursuant to para. 12.1-12.6.

## **13 Secrecy / Data Protection**

13.1 The Purchaser undertakes to keep confidential such facts, documents and knowledge which come to its knowledge in the course of the performance of the business relationship with us and which contain technical, financial, business or market-related information about our company, provided that we have designated the respective information as confidential or have an obvious interest in keeping it confidential (hereinafter collectively referred to as Confidential Information). The Purchaser shall use the Confidential Information exclusively for the purpose of the contractual implementation and execution of the contractual relationship with us and the individual contracts based thereon. The obligation to maintain secrecy shall not apply insofar as the respective confidential information is or becomes demonstrably: generally known or must be disclosed due to mandatory statutory provisions or judicial or official orders.

13.2 The Parties shall process personal data in compliance with the applicable provisions on data protection, in particular Regulation (EU) 2016/679 (General Data Protection Regulation). With regard to the Purchaser's personal data, we will comply with the relevant statutory data protection provisions. Personal data of the Purchaser will be collected, stored, processed and used by us if, to the extent and for as long as this is necessary for the establishment, performance or termination of the contract with the Purchaser. The Purchaser is aware that the collection, processing and use of the contact data of the Purchaser's contact persons (name, e-mail addresses, etc.) is required on the basis of Art. 6 Para. 1 lit. b) GDPR in order to carry out pre-contractual measures and fulfil the contract with the Purchaser. Our supplementary data protection information is available at <https://www.elg.de/en-de/privacy/>

## **14. Final provisions**

14.1 Contracts concluded with us may only be transferred to third parties with our written consent. This shall also apply to claims arising from the contracts concluded with us.

14.2 Amendments to and modifications of these General Terms and Conditions of Sale and Delivery shall only be valid when given in writing. This shall also apply to this requirement of written form itself. This shall not affect the precedence of an individual agreement pursuant to 305b *BGB*.

14.3 Place of performance for deliveries and payments is Duisburg.

14.4 Any disputes arising between ourselves and the Purchaser and in



connection with the contract shall be settled exclusively before a competent Duisburg court of law. We shall also have the right at our option to bring an action against the Purchaser at its place of general jurisdiction.

14.5 The law of the Federal Republic of Germany shall apply, to the exclusion of the UN Sales Convention (CISG).