

**GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY**  
**of Messingwerk Plettenberg Herfeld GmbH & Co. KG**  
**governing business transactions with customers whose business is**  
**registered outside the Federal Republic of Germany**  
**(as per January 2008)**

Business transactions with customers whose business is registered outside the Federal Republic of Germany are governed by the **UN Convention on Contracts for the International Sale of Goods (UN Sales Law)**, unless the provisions thereof are modified or amended by the clauses set forth below, and by German law to be applied in the case of non-exhaustive regulation by the Convention. The application of any terms and conditions of purchase of the customer or other parties is excluded.

1. Our offers and quotes are binding, unless explicitly referred to as non-binding or subject to modification.
2. Our usual Terms of Delivery are EXW Plettenberg according to Incoterms 2000.
3. Title to the goods will only pass to the buyer after receipt of payment in full.
4. Unless otherwise agreed, payment has to be made in €. In the case of delay in payment, the buyer will be liable to pay, from the due date interest, in the amount of 8% above the respective valid base interest rate under § 247 of the German BGB (German Civil Code). By agreement, the customer may pay the invoice amount within 14 days from the invoice date with a deduction of a cash discount of 2% from the amount charged for the goods.
5. Our usual pricing is in € ex works, excluding freight and insurance and exclusive of VAT. Only the prices indicated in our order acknowledgement will apply. The price is composed of the relevant metal value and the fabrication price. The fabrication price is subject to binding agreement by and between the parties. The metal price is calculated on the basis of the market price valid on the day of material procurement for the respective order, unless the metal for processing is provided by the customer. In such case, the provisions of section 8 to 8.5 hereof will apply.
6. In the case that we enter into a metal contract with the customer, which may be concluded in written form or orally, the customer may claim to obtain deliveries at the metal price, as is valid on the day of conclusion of the contract, for a period of 6 months thereafter and up to such metal quantities as agreed under the contract. Delivery scheduling by the customer has to be made within 3 months from conclusion of the contract so as to allow the total quantity

to be delivered by the end of the aforesaid six month period. Otherwise we may decide, without granting any additional period for compliance, at our choice, to either rescind the contract or enter such metal quantity, as was taken up for delivery by the customer, on a metal processing account (please refer to sections 8.3 and 8.4 hereof) of the customer. In the latter case, we will invoice the metal value to the customer. This is without prejudice to any further statutory claims for breach of duty by the customer. Alternatively, it may be agreed with the customer to extend the term of the metal contract. In such case, the metal price will increase by 1% for each month of extension and the preceding provisions will apply correspondingly.

7. If, during the term of a metal contract, insolvency or bankruptcy proceedings are instituted against the assets of the customer and if the contract is terminated or not fulfilled for this reason, final settlement of accounts for the contract will be made on the basis of the metal value as per the day of material procurement for the respective order.

**8. Material supply by the customer and Metal Accounts.**

In the case that the customer provides us with material for processing purposes, the parties to the contract will have the rights and duties set out below.

- 8.1 The customer is obliged under the contract to exclusively deliver material segregated by alloy type. This does not only include the obligation to deliver material free of foreign substances, such as bronze, aluminium or steel, but also the obligation to deliver duly sorted by alloy type. We are obliged only to take random samples of the materials provided, so as to ascertain if they contain foreign substances or other alloy types. If different alloys of copper/zinc alloys are mixed, the delivered quantity will be registered as an alloy with the lowest valid copper content.

In the case of contravention of the duty to provide material segregated by alloy type or free of foreign substances, then the customer will be liable to compensate us for any damage caused thereby.

- 8.2 The customer is obliged under the contract to provide material in a dry condition. Our technical equipment and processes do not allow for the reweighing of wet material after dehumidification. We may the-

refore make, at our reasonable discretion, and in accordance with § 314 BGB (German Civil Code), a flat rate deduction for the determined weight of wet delivered material. Such a deduction can only be adjusted if the customer gives evidence proving that the moisture content was lower than the flat rate deducted by us.

8.3 The material quantity ascertained on delivery will be entered on the customer metal account, with a usual deduction for smelting loss of 10 % and, as the case may be, less a flat rate deducted according to sec. 8.2.

8.4 The customer metal accounts solely serve for the settlement of quantities and not of money amounts. Subsequently the parties may primarily only claim delivery of any outstanding balances in material. The parties are obliged under the contract to settle any existing metal balances by delivery to be made within market-usual terms of delivery after ascertainment of any such balances. In the case of breach of such duty, the respective other party may claim pecuniary damages to be calculated on the basis of the material price valid on the day of settlement of the account.

8.5 In the case that insolvency or bankruptcy proceedings are instituted against the assets of the customer and, if the material contract is cancelled for this reason or terminated without notice, the account must be settled according to sec. 8.4 as per the day on which the liquidator exercises his right of option.

9. All delivered goods must be inspected immediately and without undue delay. Notice of non-conformity of the goods against the contractual order requirements must also be transmitted immediately without undue delay. In any case, notice of non-conformity must be given within a period of 6 months from receipt of the goods, even in the case of any hidden defects.

We work to a quality management system certified under DIN-EN ISO 9001 and ISO/TS 16949. All products are continuously checked during the production process in accordance with our Quality Assurance Manual. The customer may be informed, on the occasion of an official audit, of the specific mode and scope of quality controls within the production area. Any internal controls, beyond those prescribed in our Quality Assurance Manual, require separate written agreement between the customer and ourselves and must contain a detailed specification of the required control parameters and methods. Our quality management system does not release the customer from the obligation to inspect incoming goods.

10. Any and all customer claims for non-conformity of the goods within the contractual requirements will become time-barred after a period of 6 months from the day of due notice of defect as described in sec. 9 above.

11. If the goods do not meet the contractual requirements, we may – notwithstanding Art. 46 of the Convention – deliver replacement goods instead of performing subsequent rectification or remedy. In such case, the buyer will have to return the defective goods to us at our expense.

12. We may only be held liable for damages caused by the non-conformity of the goods with the contractual requirements, if such non-conformity is due to intentional or negligent conduct on our part. Any such claim for damages will be limited to a maximum amount of € 25,000.00.

13.1 Dates or terms of delivery must be agreed in writing. Any term of delivery commences on the day on which the agreement is entered into. However, the term will not commence prior to precise and definite clarification of all details of performance. If it is agreed to provide delivery in accordance with the planning documents and specifications of the customer, the term of delivery will not start to run prior to receipt and approval of the complete documents and specifications.

13.2 Compliance with the agreed terms of delivery requires and depends on due performance of the contractual duties and obligations of the customer.

13.3 We may not be held liable for any delay in delivery or performance which is due to force majeure or any event which substantially impedes or renders delivery impossible for us (including, for example, strike, lock-outs, official orders etc.). These include cases where such events occur at our own sub-suppliers or their suppliers, even if the terms or dates of delivery were binding. In the case of such events, we may either defer delivery or performance by the duration of such impediment, plus a reasonable start-up period, or rescind the contract, in whole or in part, as regards such part, which as yet has not been performed.

13.4 If the impediment lasts longer than 2 calendar months, the customer may, after expiry of a reasonable additional period granted for performance, rescind the contract as regards such part as has not yet been performed then. If the date of delivery is deferred or if we are no longer obliged to perform, the customer may not claim damages on such grounds.

14. The invalidity of any individual provision(s) hereof will not affect the validity of the remaining provisions of this contract.

15. These General Terms and Conditions of Sale and Delivery are submitted both in German and in English. The English version is for the convenience and information of the customer only. In the case of discrepancies between the German and English version, the German version will prevail and will be solely decisive. The fact that these Terms and Conditions of Sale and Delivery are provided in English does not give any reason to have any legal terms contained therein interpreted or construed under the concepts of English law or any other English-speaking jurisdiction.
  
16. Any and all disputes arising from or in connection with the contract will be subject to the jurisdiction of such an ordinary court, which has pertinent and local jurisdiction over the territory where our company is registered for business. However, we may alternatively choose to take legal action in the place of jurisdiction where the buyer is registered for business.