

**General Terms and Conditions of Sale and Delivery of Korrodin GmbH & Co.
KG
(hereinafter referred to as “KORRODIN”)
No. 01/2023 - Version of December 2023**

I. General Provisions

1. Exclusively these General Terms and Conditions of Sale and Delivery No. 01/2022 shall apply to all business relationships between KORRODIN and the Purchaser (hereinafter referred to as “Ordering Agent” or “Purchaser”) including the future business relationships. The General Terms and Conditions shall only apply if the Ordering Agent is a businessperson (Section 14 of the German Civil Code [*Bürgerliches Gesetzbuch, BGB*]), a legal person under public law or a special fund under public law.

KORRODIN shall be permitted to change their General Terms and Conditions of Sale and Delivery No. 01/2022 with effect for the entire future business relationship with the Purchaser after a corresponding notification.

2. These General Terms and Conditions shall apply exclusively, KORRODIN shall not acknowledge any adverse terms and conditions or terms and conditions of the Ordering Agent deviating from these General Terms and Conditions unless KORRODIN has expressly consented to their application. These General Terms and Conditions shall apply even if KORRODIN performs a delivery to the Ordering Agent without reservation while being aware of adverse terms and conditions or terms and conditions of the Ordering Agent deviating from KORRODIN’s General Terms and Conditions.
3. If the Ordering Agent and KORRODIN have entered into a framework agreement, these General Terms and Conditions of Sale and Delivery shall apply both to that framework agreement as well as to the relevant individual agreement. Individual agreements with the Ordering Agent shall in any case have priority over these General Terms and Conditions. The content of such agreements shall be governed by a written contract or a written confirmation by KORRODIN, respectively.
4. Any legally relevant declarations and notifications to be submitted by the Ordering Agent in relation to KORRODIN after the conclusion of the relevant contract (e.g. setting of deadlines, notification of defects, declaration of rescission or reduction of the purchase price) shall be required to be made in writing.
5. Quality assurance agreements, conditions for initial samples or similar regulations regarding the quality shall only become a part of the relevant contract if KORRODIN consented to them in writing.

II. Conclusion of contracts

1. The quotations by KORRODIN shall not be binding and without obligation. The documents related to the quotation such as illustrations, drawings, indications of weights and measurements shall only be approximate values unless they are expressly designated as binding by KORRODIN. If KORRODIN provides to the Purchaser drawings or technical documentation regarding the technical item that is to be delivered and the object of the purchase, these shall remain in the ownership of KORRODIN.
2. Purchase orders by the Purchaser shall be binding for the Purchaser. Unless KORRODIN submits another written confirmation (the text form without a personal signature shall be permitted for that purpose) within 4 weeks, the delivery or invoice shall be considered as order confirmation. Agreements regarding a framework quantity with partial deliveries shall oblige the Ordering Agent to purchase the entire framework quantity within the contract duration, but at the latest subsequent to KORRODIN’s request upon the end of the delivery relationship.
3. If the Purchaser is a businessperson, exclusively the written confirmation (text form permitted) by KORRODIN shall be authoritative for the content of purchase orders and agreements unless the Purchaser submits an objection without delay and in writing (text form permitted). This shall apply, in particular, to purchase orders placed or agreements reached orally or by telephone. A notification to KORRODIN shall, in each case, no longer be considered as “without delay” if KORRODIN has not received it within seven days.

III. Delivery date, delivery period, scope of the delivery, default in delivery

1. Delivery dates and periods shall be considered as only approximately agreed unless KORRODIN has expressly designated a written confirmation (text form permitted) as binding. If the Purchaser fails to clarify all details of the order in due time and if the Purchaser fails to render all advance performances in due time, the delivery dates shall be postponed accordingly. Delivery dates shall be deemed to be met when the readiness for shipment was announced.
2. KORRODIN shall be permitted to perform partial deliveries unless this results in provable disadvantages on the part of the Ordering Agent. In that respect, the burden of proof shall lie with the Ordering Agent.
3. The Purchaser shall examine the delivery note acknowledge its receipt. KORRODIN shall be notified of any objections without delay and in writing (text form permitted). Failing this, the acknowledged delivery quantity shall be deemed to have been accepted.
4. In the case of delays in delivery due to operational disruptions, official measures, non-delivery of supplies to KORRODIN despite proper covering purchases or force majeure, the delivery period shall be extended accordingly. Force majeure shall be deemed to exist also in cases of industrial disputes including strikes and lawful lockouts in the company of KORRODIN or the companies of their sub-suppliers. In these cases, the Purchaser shall not be entitled to claims for damages within the limits of item VII (General limitation of liability) below.
5. If the Purchaser incurs a provable and quantifiable damage due to a delay in delivery that KORRODIN is responsible for, the Purchaser shall be entitled to claims for damages (whereby any further compensation claims shall be excluded) in the amount of 0.5% for each week of the delay, but not exceeding 5% of the value of the relevant part of the total delivery. In the case of a default in delivery, the Purchaser shall be permitted to rescind the relevant contract - after having set an appropriate grace period and having expressly declared that after the expiry of that period the Purchaser will reject the acceptance of the performance - if the performance has not been rendered within the grace period. Any further claims related to a default in delivery, in particular claims for damages, shall be excluded in accordance with the provisions of item VII (General limitation of liability) below.
6. Minor short or excess deliveries, in the case of custom-made products: up to 10% of the relevant order, shall be considered as customary in the market and industry and shall be deemed to be a performance of the contract.

IV. Prices, terms of payment

1. The prices shall not include the statutory VAT, the freight, customs duties, postage, packaging costs, insurance and other expenses. The packaging shall be charged at their cost price; its return shall be excluded.
2. If the parties have not reached a special written agreement in that regard, invoices shall be due for payment immediately and the invoice amount shall be paid without any deduction.

If the Purchaser enters into a default in payment, KORRODIN shall be permitted to demand default interest amounting to 8% above the basic interest rate. The right to assert a specific loss caused by the default shall remain reserved.

3. The Ordering Agent shall be entitled to rights of setoff or retention only to the extent that their claim has become res judicata or is uncontested. In the case the delivery is defective, the Ordering Agent's claims shall remain unaffected thereby.
4. If KORRODIN is permitted to collect payments from the Ordering Agent by means of direct debit on the basis of a SEPA direct debit mandate granted by the Ordering Agent, the Ordering Agent shall agree that KORRODIN will submit to the Ordering Agent, at the latest three (3) calendar days prior to the date of the intended collection of a payment by means of SEPA direct debit (execution date) a prenotification of that.

V. Reservation of title

1. KORRODIN shall hereby reserve the title to the sold goods until the complete payment of all current and future receivables arising from the relevant purchase agreements and the current business relationship (hereinafter referred to as "Secured Receivables").
2. The goods that are subject to a reservation of title shall, prior to the complete payment of the Secured Receivables, neither be pledged to third parties nor assigned by way of security. The Ordering Agent shall notify KORRODIN without delay and in writing if and when third parties access the goods of KORRODIN.
3. If the Ordering Agent violates the relevant contract, in particular if the Ordering Agent fails to pay the purchase price due, KORRODIN shall be permitted to rescind the relevant contract in accordance with the statutory provisions and to demand the return of the goods on the basis of the reservation of title and the rescission. If the Ordering Agent fails to pay the purchase price due, KORRODIN shall be permitted to assert these rights only if KORRODIN previously set a reasonable time-limit for the payment without the desired result or if such a time-limit is dispensable according to the statutory provisions.
4. The Ordering Agent shall be permitted to further sell and/or process the goods that are subject to a reservation of title in their orderly course of business. In such a case, the following provisions shall additionally apply:
 - (a) The reservation of title shall also cover the products (at their full value) that are created by means of the processing, mixing or combining of KORRODIN's goods, whereby KORRODIN shall be considered as the manufacturer. If third-party ownership rights continue to exist in the case of a processing, mixing or combining with goods of third parties, KORRODIN shall acquire the co-ownership at the ratio of the invoice values of their processed, mixed or combines goods. In other respects, the same that applies to the goods delivered under a reservation of title shall apply to the resulting product.
 - (b) The Ordering Agent shall hereby in advance assign to KORRODIN as a security, completely or in the amount of the possible co-ownership share of KORRODIN in accordance with the foregoing subsection, the receivables from third parties arising from the resale of the relevant goods or the product. KORRODIN shall hereby accept the assignment. The duties of the Ordering Agent indicated in item 2 above shall also apply in view of the assigned receivables.
 - (c) In addition to KORRODIN, the Ordering Agent shall remain authorised to collect the sums due. KORRODIN shall undertake to not collect the sums due as long as the Ordering Agent meets their payment obligations in relation to KORRODIN, does not enter into a default in payment, no request for opening insolvency proceedings has been submitted and no other deficiency in the Ordering Agent's performance ability has occurred. However, if such a deficiency has occurred, KORRODIN shall be permitted to demand that the Ordering Agent discloses to KORRODIN the assigned receivables and their debtors, submits all information required for the collection, hands over the related documents and notifies the debtors (third parties) of the assignment.
 - (d) If the realisable value of the securities exceeds KORRODIN's receivables by more than 10%, KORRODIN shall release securities upon the Ordering Agent's request. In that context, KORRODIN shall be permitted to select the securities to be released.

VI. Passing of the risk of an accidental deterioration, destruction or loss; acceptance

1. The risk of risk of an accidental deterioration, destruction or loss shall pass to the Purchaser upon the commencement of the loading or shipment, respectively, of the delivery item, even if partial deliveries are made or if KORRODIN has assumed also other performances, e.g. the payment of shipping costs or the delivery and installation and/or the commissioning. The place of performance shall be the location of KORRODIN's warehouse. The Ordering Agent being in a default in acceptance shall be equivalent to the handover of the goods.
2. If the Ordering Agent enters into a default in acceptance, fails to cooperate or if the delivery is delayed for other reasons that the Ordering Agent is liable for, KORRODIN shall be permitted to claim the compensation of the damage resulting therefrom, including additional expenditures (e.g. storage costs).
3. If the shipment or the acceptance is delayed for reasons that KORRODIN is not liable for, the risk of an accidental deterioration, destruction or loss shall pass to the Purchaser at the day at which the readiness for shipment or acceptance is announced.

VII. Claims based on defects, notification of defects

1. Unless otherwise provided for below, KORRODIN shall be liable in accordance with the statutory provisions for defects of quality or title of the items that are a subject matter of the relevant contract.
2. The Purchaser shall be obliged to properly inspect, at their own expense, the delivered goods immediately after the receipt and to notify KORRODIN without delay and in writing of any defects, incorrect deliveries and of incorrect deliveries or shortages that obviously may not be approved (Section 377 of the German Commercial Code [*Handelsgesetzbuch, HGB*]). The notification shall be considered as made “without delay” if it is performed within two weeks, whereby the timely sending of the notification shall be sufficient to meet the deadline.

KORRODIN shall be notified of any hidden defects in writing and without delay after their detection. In other respects, the provisions of Sections 377 et seqq. of the German Commercial Code shall remain unaffected in the case of a mutual commercial transaction between businesspersons.

3. The requirements concerning the number of defective parts per million units set out in item 4.2.1 of the “*Richtlinie Technische Lieferqualität von Verbindungselementen, November 2013, Deutscher Schraubenverband e. V.*” [Guideline – Technical delivery quality of connecting elements of the association Deutscher Schraubenverband e. V., version of November 2013] shall form the basis for determining defects of a delivered batch/production lot. It shall be permitted to assert claims based on defects only if the requirements concerning the number of defective parts per million units are not complied with. The burden of proof in that regard as well as any costs for determining the requirements concerning the number of defective parts per million units (e.g. sorting) shall be borne by the Purchaser. Any deviating requirements concerning the number of defective parts per million units and/or deviating sorting measures shall be explicitly and contractually agreed upon in writing.
4. If the delivered item is defective, KORRODIN shall initially be permitted to choose whether they will render a supplementary performance by remedying the defect (subsequent improvement) or by delivering a defect-free item (replacement delivery). KORRODIN's right to refuse the supplementary performance under the statutory conditions shall remain unaffected.
5. Any damage caused by external influence, improper installation and handling, faulty operation or maintenance, corrosion or normal wear and tear shall be excluded from the warranty. In addition, no warranty shall be granted with regard to the occurrence of hydrogen embrittlement, in particular, if special product treatments or coatings are applied. In these cases, in accordance with the current level of technology and the specifications for connecting elements, the following shall apply: in the case of a strength category of 12.9 (= minimum tensile strength and the relation of the lower yield strength to the nominal tensile strength), there is generally a risk of hydrogen embrittlement; in the case of a strength category of 10.9, there is a risk in most of the cases; and in the case of a strength category of 8.8, there is a risk in extreme cases. Likewise, no warranty shall be assumed regarding hydrogen embrittlement regarding parts made of spring steel, as this risk for such parts may never be excluded. The standard DIN EN ISO 4042 shall form an integral part of the concluded contracts.
6. Any possible defects of quality related to a partial delivery shall not permit the Purchaser to reject the remainder of the completed quantity unless the Purchaser is able to prove that the acceptance of only a part of the delivery is unreasonable for the Purchaser in consideration of the circumstances.
7. If the Purchaser detects a defect, the Purchaser shall not be permitted to modify, process or hand over the delivery item to third parties, but shall provide to KORRODIN sufficient opportunity and time to convince themselves of the defect and, if applicable, to render the required supplementary performance (subsequent improvement or replacement delivery); failing this, all claims based on defects shall lapse. Subsequent to the consent granted by KORRODIN in writing, the Purchaser shall be permitted to remedy the defect or to have it remedied by third parties in urgent cases of danger to operational safety or in order to prevent a disproportionately large damage, and to claim from KORRODIN the reimbursement of the necessary expenses unless KORRODIN removes the defect. Irrespective of the existence of a defect, the warranty claims shall also lapse if the Purchaser or a third party performs modification or repair work without KORRODIN's consent.
8. KORRODIN shall bear the expenses required for inspection purposes and supplementary performance, in particular transportation, travel, labour and material costs (not: removal and installation costs unless KORRODIN was originally obliged to render this performance under the relevant contract) if a defect has actually occurred. However, if a request by the Purchaser to remedy a defect proves to be unjustified, KORRODIN shall be permitted to demand from the Purchaser compensation for the costs resulting therefrom.

VIII. **General limitations of liability**

1. Unless otherwise stipulated in these General Terms and Conditions including their subsequent conditions, KORRODIN shall be liable in accordance with the applicable statutory provisions in the case of a breach of contractual and non-contractual obligations.
2. KORRODIN shall be liable for damages – irrespective of the legal reason – only in cases of intent and gross negligence. In cases of slight negligence, KORRODIN shall be liable only in cases of
 - a) any damage resulting from injury to life, body or health,
 - a) any damage resulting from then infringement of an essential contractual obligation (obligation the fulfilment of which enables the proper performance of a contract in the first place and on the compliance with which the contractual partner usually relies and may rely); in such a case, however, the liability of KORRODIN shall be limited to the compensation of the foreseeable damage typically occurring.
3. The limitations of liability resulting from clause 2 shall not apply if KORRODIN has fraudulently concealed a defect or has assumed a guarantee for the condition of the goods.
4. The Ordering Agent shall be permitted to rescind the relevant contract or to give notice of its termination, in each case on the basis of a breach of a duty that does not consist in a defect, only if KORRODIN is liable for the breach of the duty. A right of the Ordering Agent to give notice of the termination unrelated to an underlying reason (in particular in accordance with Sections 651 and 649 of the German Civil Code) shall be excluded. In other respects, the statutory requirements and legal consequences shall apply.

IX. **Limitation of actions**

1. Deviating from Section 438, subsection 1, no. 3 of the German Civil Code, the general limitation period for claims arising from defects of quality or title shall be one year from the delivery.
2. The foregoing limitation periods of the statutory provisions governing sales shall also apply to contractual and non-contractual claims for damages of the Purchaser that are based on a defect of the goods unless the application of the regular statutory limitation periods (Sections 195 and 199 of the German Civil Code) would result in a shorter limitation period in individual cases. The limitation periods of the German Product Liability Law [*Produkthaftungsgesetz, ProdHaftG*] remain unaffected in any case. In other respects, exclusively the statutory limitation periods shall apply to claims for damages in accordance with Section VII on the part of the Ordering Agent.

X. **Place of jurisdiction, applicable law, agreement on arbitration**

1. If the Purchaser is a businessperson, a legal person under public law or a special fund under public law, KORRODIN's place of business shall be the place of jurisdiction with regard to all legal disputes. It shall not be permitted to bring an action against KORRODIN at another location. However, KORRODIN shall also be permitted to bring an action at the Ordering Agent's general place of jurisdiction. The regulation included in the agreement on arbitration (item X, no 3) shall have priority over the ordinary recourse to the courts.
2. The law of the Federal Republic of Germany shall be exclusively applied; the private international law, the harmonised international law and the UN Convention on Contracts for the International Sale of Goods shall not apply.
3. All disputes arising in connection with any contract that includes these Terms and Conditions or with regard to its validity shall be finally settled in accordance with the Arbitration Rules of the Chamber of Industry and Commerce of Frankfurt am Main; the recourse to the ordinary courts of law shall be excluded. However, the judicial dunning procedure shall remain admissible. The place of arbitration shall be Nuremberg. The language of the arbitration proceedings shall be German. The applicable substantive law in the arbitration proceedings shall be the law of the Federal Republic of Germany; the private international law, the harmonised international law and the UN Convention on Contracts for the International Sale of Goods shall be excluded.

IX. Validity, data protection

1. If any provision of these General Terms and Conditions of Sale and Delivery should be or become invalid, the validity of the other provisions of the relevant contract shall remain unaffected thereby. Instead, the provision intended by the parties shall apply, and in other respects the statutory provisions. The relevant provision in these General Terms and Conditions of Sale and Delivery shall under no circumstances be replaced by the Purchaser's terms and conditions.
2. Any changes or amendments of the relevant contract shall only be valid when they were confirmed by KORRODIN in writing; this shall also apply to any deviation from the contractual requirement of the written form.
3. KORRODIN shall be permitted to process and store the data, which is related to the Purchaser and which was received in connection with the business relationship, in accordance with the Federal Data Protection Act (or have it processed or stored by third parties), even if this data originates from third parties.