

Accuride International GmbH

General Terms of Sale

1. General

Our terms of sale shall be applicable exclusively; we shall not recognise purchaser regulations to the contrary to or deviating from our terms of sale, unless we have given our explicit consent to the applicability of the same. Our terms of sale shall also be applicable if we execute the delivery to the purchaser without any reservation knowing about purchaser regulations to the contrary to or deviating from our terms of sale. These terms of sale shall be applicable to all future transactions. Deviations from these terms of sale shall require the explicit written approval from us.

2. Tender – tender documents

Our tenders shall not be binding, but shall be deemed as request to the purchaser to develop a purchase offer for us. The contract shall be concluded by the purchaser placing the order (tender) and by us accepting the same. If the same is in deviation from the order, this shall be deemed as new tender without obligation by us.

Documents (irrespective of the fact if listed in contractual documents) such as technical descriptions, drawings, sketches, weight and dimensional information, measurement values, etc. provided by us shall be of a non-binding character. All technical documents shall remain part of our property and shall have to be returned upon request.

The goods shall be manufactured in accordance with the Accuride specification applicable at the time of production. We shall only assume liability for this specification. Any previous technical documents shall lose their validity on the basis of the aforementioned.

We shall reserve property rights and copyrights to figures, drawings, calculations, and other documents. This shall also be applicable to such written documents that are identified as being “confidential”. Before forwarding any documents the purchaser has been provided with to third parties, the same shall have to obtain our explicit written consent. If the purchaser is in breach of this obligation, the same shall have to pay a lump-sum compensation to the amount of € 5,000.00 to us. However, it shall be admitted to the purchaser to certify that no or only little damage has resulted from the aforementioned. Claiming further claims for compensation exceeding the lump-sum compensation shall be reserved.

Properties of samples and specimens shall only be binding insofar as the same have been stipulated explicitly as properties and conditions of the goods.

Information on the properties and conditions and on the durability, as well as other information shall only be guaranteed if the same are stipulated and identified as such.

If the purchaser provides us with technical documents or other information resulting in a violation of existing commercial trademark rights, copyrights, obligations in the field of confidentiality, etc., the same shall be obliged to indemnify us in connection with any third party claims on the basis of these violations and to compensate any damages and costs, including the costs of using legal support incurred to us on the basis of the rightful claim on part of third parties respectively required to avoid further claims.

3. Consultation

Insofar as we provide consultation services this shall be implemented to the best of our knowledge. Information and details on the suitability and application of the goods shall not release the purchaser from proprietary tests and trials.

4. Prices and terms of payment

Only the prices mentioned within the framework of our order confirmation shall be decisive. Additional services shall be invoiced separately. All prices are net prices without sales tax that shall have to be paid by the purchaser to the corresponding legal amount in addition in each case.

If we change the prices for the product to be delivered or the terms of payment in general during the period between conclusion of the contract and delivery, we shall be entitled to apply the prices or terms of payment applicable at the delivery date. In case of an increase in prices, the purchaser shall be entitled to withdraw from the contract within a period of a fortnight upon notification on the price increase.

Unless specified otherwise within the framework of the order confirmation, the purchase price shall be payable within a period of 30 days after the invoice date. As regards to the consequences resulting from delayed payments, the legal regulations shall be applicable.

The purchaser shall only be entitled to set-off rights, if his counterclaims have been determined in a legally binding manner, are unchallenged, and acknowledged by us. Furthermore, he shall be authorised to execute a right of retention insofar as his counterclaim is based on the same contractual relationship.

5. Delivery time

Unless specified explicitly otherwise, we shall deliver ex factory. Delivery times shall only be deemed as being stipulated upon explicit written confirmation. The same shall start at the date of our order confirmation, but not before all details of the order have been clarified unambiguously together with the provision of any required certifications. The same shall be regarded as complied with on the basis of the timely notification of the readiness for shipment, if the goods cannot be sent in a timely manner without any faults on our part.

As regards to terms and dates that are not identified explicitly as being fix within the framework of the order confirmation, the purchaser shall be entitled to set a reasonable target for delivery/service two weeks after the same has expired. We can only default upon expiration of this period of grace.

Terms and dates shall be prolonged automatically by the period the purchaser does not comply with his obligations towards us, irrespective of our rights from delay of the purchaser. In case of us violating our obligations, we shall be liable for damages only in accordance with the information in number 9 of these terms.

We shall be entitled to provide partial deliveries and partial services, if the same are reasonable for the purchaser. Production-related excess and short shipments of up to 5% are typical within the industry and shall be deemed as proper compliance with the contract. The purchaser shall be obliged to pay the actually delivered quantity of goods. Further claims on part of the purchaser on the basis of excess respectively short shipments shall not be applicable.

The purchaser shall be entitled to withdraw from the contract after two set periods of grace have expired unsuccessfully, unless the obstruction is only of a temporary character and the displacement of the date of service is reasonable for him.

If the purchaser is entitled to a contractual or legal right of withdrawal and if we provide the same with an appropriate term regarding the execution of the same, the right of withdrawal shall become null and void if the withdrawal is not declared before the term has expired.

6. Shipment – transfer of perils

Unless stipulated explicitly otherwise, shipment and transport shall be implemented at the risk of the purchaser. The risk shall be transferred to the purchaser as soon as the shipment has been transferred to the person implementing the transport.

If the shipment of the delivery is delayed on the basis of reasons caused by the purchaser, the risk of accidental deterioration and of accidental perishing shall be transferred to the purchaser as soon as the readiness for shipment has been declared. Storage costs upon transfer of perils shall be borne by the purchaser. Further claims shall remain unaffected.

7. Reservation of proprietary rights

We shall reserve the property to the sales item until all payments from the delivery contract have been received. If the purchaser behaves in contrary to the contract, particularly in case of delayed payments, we shall be entitled to take back the sales item. Us taking back the sales item shall not constitute any withdrawal from the contract, unless we have declared this explicitly in writing. If we seize the sales items, this shall constitute a withdrawal from the contract every time. After having taken back the sales item, we shall be

authorised to exploit the same, at which the proceeds of exploitation shall be credited against the accounts payable of the purchaser, minus appropriate exploitation costs.

In case of seizures or other third party interventions, the purchaser shall have to inform us immediately in writing so that we can file a claim in accordance with § 771 ZPO (code of civil procedure). If the third party is not able to compensate the judicial and extrajudicial costs of a claim in accordance with § 771 ZPO, the purchaser shall be liable as regards to the loss incurred to us.

The purchaser shall be entitled to sell the sales item within the regular course of business. However, he shall assign any claims to the amount of the final invoice amount (including value-added tax) regarding our claim to us incurred to him on the basis of selling against his customers or third parties. The aforementioned shall not depend on the fact if the sales item is sold without or upon having been processed. The purchaser shall remain entitled to collect this claim even after the made assignments. Our authority to collect the claim by ourselves shall remain unaffected by the aforementioned. However, we shall oblige to not to collect the claim as long as the purchaser complies with his payment obligations from the collected proceeds, does not delay any payments, and in particular does not file any petition to institute insolvency proceedings or settlement proceedings, or no petition for bankruptcy is present. However, if this is the case we shall be entitled to request that the purchaser discloses the claims assigned to us and the obligors of the same, provides any information required for collection, provides the related documents, and informs the obligors (third parties) on the assignment.

The sales item shall always be processed or rebuilt by the purchaser for us. If the sales item is processed with other objects not belonging to us, we shall obtain co-ownership to the new item in the relation of the value of the sales item to the other processed objects at the time of processing. In general, the same shall be applicable to the item resulting from the processing procedure as for the sales item delivered with reservations. If the sales item is mixed inseparably with other objects not belonging to us, we shall obtain co-ownership to the new item in the relation of the value of the sales item to the other mixed objects at the time of processing. If the mixing procedure is implemented in a way that the item of the purchaser has to be regarded as the main item, it shall be deemed as agreed that the purchaser will transfer co-ownership to us on a pro-rata basis. The purchaser shall maintain the sole ownership or co-ownership resulting from the aforementioned for us.

We shall oblige to release the securities we are entitled to upon request of the purchaser insofar as the realisable value of our securities exceeds the claim to be secured by more than 10%. Selecting the securities to be released shall be incumbent on us.

8. Warranty

We shall have to be informed on deficiencies that can be determined within the framework of a proper inspection ten days upon receipt of the goods. Other deficiencies shall have to be announced to us within a period of ten days after having discovered the same. The announcement shall have to be in writing and specify the type and the extent of the deficiencies precisely.

The reclaimed goods shall have to be made available for being collected by us in the original or in equivalent packaging for the purposes of checking the same. In case of justified and due notification of deficiencies, we shall remedy the deficiencies by means of supplementary performance according to our selection by remedying the deficiency or by delivering an item that is free of any deficiencies. In doing so, we shall only bear the costs required for the purposes of supplementary performance.

We shall be obliged to refuse any supplementary performance in accordance with the legal regulations. Supplementary performance shall also be able to be refused, if the purchaser did not provide us with the reclaimed goods for collection purposes upon request on part of us.

The purchaser shall be entitled to claim withdrawal from the contract or a reduction of the compensation in accordance with the legal regulations, however, at the earliest upon unsuccessful expiration of two reasonable terms for supplementary performance set by the purchaser, unless setting the term for supplementary performance is not required in accordance with the legal regulations. In case of withdrawal the purchaser shall be liable for deterioration, perishing, and unutilised usage for intent and any negligence.

In case of malicious concealment of a deficiency or in case of accepting a warranty for properties and conditions within the meaning of § 444 German Civil Code, the rights of the purchaser shall exclusively be in compliance with the legal regulations.

As regards to any claims for damages and claims for the reimbursement of expenses on part of the purchaser the regulations in number 9 shall be applicable.

The statute of limitations for warranty claims shall be 12 months. The same shall not be applicable to claims for damages on part of the purchaser directed towards compensations for a bodily injury or damages caused to someone's health on the basis of a deficiency we are responsible for or based on our wilful or gross default.

9. Liability

In case of a breach of duty for deficient delivery or unauthorised acting we shall be liable for compensation for damages and reimbursement of expenses – subject to further contractual or legal preconditions for liability – only in case of intent, gross negligence, as well as slightly negligent breach of an essential contractual obligation. However, our liability in case of a slightly negligent breach of an essential contractual obligation shall be limited to the damage typical for the contract foreseeable at the time the contract was concluded.

In case of damages on the basis of delays we shall only be liable to the amount of up to 5% of the purchases prices stipulated with us in case of minor negligence.

The exclusions from liability and limitations of liability contained in number 9 sections 1 and 2 shall not be applicable in case of accepting a warranty for the properties and conditions of the item within the meaning of § 444 German Civil Code, in case of malicious concealment of a deficiency, in case of damages resulting from damages to life, body, or health, as well as in case of mandatory liability in accordance with the product liability act.

Any claims for damages towards us, independent of any legal foundations, shall fall under the statute of limitations one year after delivery of the item to the purchaser at the latest, in case of tortuous liability as of the knowledge or grossly negligent ignorance of the conditions justifying the claim and of the person liable to pay compensation. The regulations of this paragraph shall not be applicable in case of a liability for intent or gross negligence and in the cases mentioned within the framework of number 9 section 3.

If the customer is functional intermediary for the item delivered to him and if the end customer of the goods is a consumer, the legal regulations shall be applicable as regards to a possible right of recourse of the purchaser against us regarding the same falling under the statute of limitations.

10. Force majeure

If events or circumstances, the occurrence of which is not covered by our area of influence (such as for example natural events, war, industrial disputes, shortages of raw materials and energy, traffic or operational failures, fire and explosion damages, instructions of higher authorities), result in a reduction of the availability of the goods or of the raw materials or parts required for the production of the same so that we are not able to comply with our contractual obligations (taking into account other internal and external delivery obligations on a pro-rata basis), we shall be a.) released from our contractual obligations for the duration of the failure and to the extent of the effects of the same and we shall be b.) not obliged to procure the goods with third parties. Sentence 1 shall also be applicable if the events and circumstances render the implementation of the affected business sustainably uneconomical for us or are present with our pre-suppliers. If these events are characterised by a duration of more than three months, we shall be entitled to withdraw from the contract.

11. Miscellaneous

The place of jurisdiction shall be our headquarters or – in accordance with our selection – the general place of jurisdiction of the purchaser.

The jurisdiction of the Federal Republic of Germany shall be applicable, excluding the UN purchase right and the rules of conflict of law of the German international private law. If individual provisions of these terms shall be ineffective partially or as a whole, the same shall not affect the efficiency of the remaining provisions respectively of the remaining parts of such provisions.