

## General terms of transport

### I. General provisions

The following terms shall apply for shipments that are authorised by Waelzholz. The carrier's terms of transport are hereby contradicted.

### II. Transport notifications

Basically, Waelzholz notifies actual transport requirements via Tiflow®, a product of the company Transporeon, Ulm. The carrier declares its willingness to conclude a separate contract for this purpose with the company Transporeon and to ensure prompt transportation by means of the appropriate booking of a time slot in the Tiflow® system. The carrier shall bear the costs accruing to it through use of the Tiflow® system.

### III. Acceptance, subcontracting and storage

For the co-ordination of the transport in terms of time, the carrier books a time slot with Waelzholz via Tislot®, a product of the company Transporeon. Acceptance of the entrusted cargo is carried out in accordance with the Tiflow® notification or on the basis of a separate arrangement. The carrier shall bear the costs accruing to it through use of the Tislot® system. On acceptance of an order, the carrier shall declare that it is able to transport the packages of the following packaging options entrusted at the time:

- Coils standing in a tray
- Coils on pallets
- Slabs on pallets
- Rods on long pallets up to a maximum 6 m

On acceptance of an order, the carrier shall guarantee not to convey it further via freight exchanges. Subcontracting cannot exempt the carrier from the obligations specified herein and it must ensure that, through the involvement of other contractors, the requirements specified here are complied with as minimum requirements. Placements into storage with third parties shall require the prior written authorisation by Waelzholz. This authorisation shall have no effect on the aforementioned (supervisory) duties of the carrier in the event of subcontracting.

### IV. Obligations of the carrier

On acceptance of a transport order, i.e. even before the actual acceptance of the cargo, the carrier shall furthermore acknowledge the following requirements and shall confirm their compliance.

#### 1. Authorisations

The carrier shall have the authorisations and permits required for the transport, for instance in accordance with Sections 3 and/or 6 of the German Road Haulage Act [Güterkraftverkehrsgesetz/GüKG] (permit, European licence, third-country authorisation, ECMT authorisation).

#### 2. Vehicles and vehicle drivers

Shipments authorised by Waelzholz are only carried out with drivers, vehicles and resources, whose condition and qualifications or state comply with the relevant regulations and are regularly checked by the carrier (ISO/PAS 28001:2006). In the case of foreign drivers, compliance with Section 7b Paragraph 1 Clause 2 of the German Road Haulage Act should be observed. All the documents to be carried along during the transportation should be handed over to Waelzholz on request for examination. For the prevention of dampness and rust formation, only vehicles in an appropriate condition and with closed and undamaged tarpaulin superstructures shall be permitted.

#### 3. Statutory minimum wage requirements

The conveyor guarantees that it and its immediate or subsequent subcontractors shall pay at least, the statutory minimum wage to its or their employees in full and in good time in accordance with § 1 of the Minimum Wage Act. The conveyor shall compensate Waelzholz for any damage suffered by Waelzholz following claims against Waelzholz by employees of the conveyor or its immediate or subsequent subcontractors. Waelzholz shall have the right at all times, to demand the submission of adequate records or documents from the conveyor, as evidence of the payment of minimum wage by it and its immediate or subsequent subcontractors. Should the conveyor fail to provide such evidence within 3 weeks of the request or should there be evidences indicating that the conveyor or its immediate or subsequent subcontractors are not paying the minimum wage, Waelzholz shall have the optional right to withhold an adequate amount of the agreed freight payment or terminate the contractual relations without prior notification for important reasons.

The conveyor shall agree on this right to demand the aforementioned evidences in its own favour and in favour of Waelzholz if necessary, with its subcontractors/contractors as long as they also employ the services of staffs for the execution of the contractual relations. The same shall apply to the obligation to grant such rights in favour of the subcontractors/contractors towards their respective subcontractors.

#### 4. Security requirements as an Authorised Economic Operator ("AEO")

As a certified Authorised Economic Operator (AEO), Waelzholz shall be subject to specific requirements for security standards, which also have an impact on the carrier. All employees, regardless of the actual legal form of employment, should be subjected to a security screening in accordance with the EU Regulation on Counter-Terrorism (EC 881/2002 and 2580/2001) on commencement of employment and thereafter at regular intervals, but at least at the end of each quarter. In the case of all other persons who have access to the premises or access to the carrier's working materials

(workmen, cleaning staff, plant security, applicants, suppliers, customers etc.) an appropriate, regular check should be ensured. Furthermore, the loading units/vehicles used by the carrier should be inspected at regular intervals for tampering, for instance the installation of additional hollow spaces. At Waelzholz's request, the carrier must submit necessary declarations with regard to AEOs or a security declaration.

#### 5. Confirmation of condition and loading/securing

On acceptance of the cargo at the loading point, the driver must check its condition in proper form. He shall confirm this by signature on the consignment note. The securing to the means of transportation is carried out by the carrier. It shall ensure safe transportation and load securing in accordance with the Association of German Engineers' guideline VDI 2700 et seq. "Load securing on road vehicles", Section 22(1) of the German Road Traffic Regulations (StVO) and Section 412(1) of the German Commercial Code [HGB]. Means of securing that are actually necessary (tension belts, edge protectors, anti-slip mats, tension chains etc.) should be provided by the carrier for securing to an adequate extent. Shipments of steel products on trays and/or flat loading surfaces shall be carried out solely in trays and/or on flat loading surfaces in wood construction, whereby the means of transportation in the case of transportation on trays shall be equipped with appropriate steel supports and securing chains in addition.

#### 6. Delivery, withholding right and notices of defect

If nothing else is agreed, delivery of the goods must be carried out on the day of acceptance. The carrier may only refuse delivery, if statutory liens and withholding rights are due to it from the order actually to be delivered or arising from receivables from other, similar contracts concluded with the client, if they are beyond dispute or were finally and conclusively established. Customs formalities should be dealt with in accordance with Waelzholz's appropriate instructions. In the case of export shipments to non-EU countries, the pertinent Export Accompanying Document (EAD) is prepared by Waelzholz and provided to the carrier in good time.

Notices of defect that are identified on delivery of the cargo, including those from incorrect unloading (e.g. in the open in the case of dampness or due to unsuitable unloading tools), must be recorded in detail on the carbon copy of the delivery note and confirmed by signature of the recipient and driver.

Unless otherwise agreed, the return of packaging material/empty pallets as well as possible waiting times during loading and/or unloading etc. will be free of charge for Waelzholz.

#### V. Liability and insurance

The carrier shall be liable to Waelzholz for all additional costs or expenses resulting from its pertinent commissioning in accordance with the statutory provisions relevant at the time. **The maximum limit of liability within the meaning of Section 431 of the German Commercial Code is limited to 40 units of account for each kilogram of gross weight of the shipment.** The carrier shall give an undertaking to cover its liability to the corresponding extent. **Waelzholz has a damage in transit insurance policy.**

#### VI. Duration of the agreement

The duration of the agreement and prices shall be valid according to the duration of the price agreement. An extraordinary, bilateral right of termination shall only subsist, if

one of the parties concluding the agreement has repeatedly and seriously breached its contractual obligations and these breaches were not remedied in spite of a warning being given and the fixing of a deadline with the threat of termination,

a party ceases its payments or insolvency proceedings are applied for or comparable legal proceedings or such proceedings are instituted or their institution is rejected for lack of funds or

corresponding breaches arise in the context of certification, which make further collaboration in terms of certification impossible after an unsuccessful request for remedial action with the threat of termination.

#### VII. Applicable law

The law of the Federal Republic of Germany shall apply with the exclusion of the German Freight Forwarders' Standard Terms and Conditions (ADSp) applicable at the time and of the Uniform Law on the International Sale of Goods and of the Uniform Law on the Formation of Contracts for the International Sale of Goods.

#### VIII. Place of performance and legal venue

Hagen shall be the place of performance and legal venue for both contracting parties. We are also entitled to sue the buyer at its place of general jurisdiction.