

General Terms and Conditions of Business and Delivery of
Ferro Umformtechnik GmbH & Co. KG, David-Roentgen-Straße 15 – 25, 48703 Stadtlohn, Germany

1. Validity, offers

- (1) The following conditions form the basis of all of our business transactions so long as no other terms are agreed in writing in an individual case. Should any individual conditions be changed, all other conditions shall remain unaffected and valid.
- (2) Purchasing conditions we receive are only deemed to be valid for us from the moment we confirm these conditions in writing. An explicit objection on our part against differing conditions of the purchaser is not required.
- (3) Claims resulting from a sales contract cannot be transferred by our contract partner to a third party without our written permission, unless the regulation stated in § 354 A of our HGB shall apply.
- (4) Any offers and prices are without obligation and are not binding for repeat orders. Any agreements, either by phone or verbal, made with our representatives/employees are only legally binding with our written confirmation.

2. Prices

- (1) Unless agreements to other effect are made, the list prices at the time of delivery shall apply.
- (2) The prices are quoted, unless otherwise agreed, from our plant (EXW) including packaging but fundamentally excluding pallets, mesh-sided box pallets, and other necessary items of shipment equipment or rented containers, plus the statutory rate of VAT respectively, and any customs duties, levies and similar items that apply.
- (3) Pallets, mesh-sided box pallets and other necessary items of shipment equipment that are returned carriage paid within an appropriate period of time and in a perfect state shall be credited to the purchaser based on the amount charged - and reduced accordingly in the event of damage.
- (4) If the delivery is performed more than 4 months after the conclusion of the contract we are entitled to increase the price agreed upon if the prices of suppliers that apply or other costs on our goods and services - including public charges - increase; otherwise the price stated in the confirmation of order shall apply. We are entitled to increase prices for persons as defined in § 310 section 1 clause 1 of the German Civil Code (BGB) if the delivery is not performed within four months of the conclusion of the contract and the costs on our goods and services increase between the conclusion of the contract and delivery. The price increase shall become effective as soon as we have informed the purchaser of this in writing.

3. Reservation of proprietary rights

- (1) All goods shall remain our property until all claims against the contract partner arising from our General Terms & Conditions of Business are met, including all future claims or claims arising from simultaneous or following contracts. This also applies if single or complete claims have been included in a current invoice and the debit balance has been accepted. The contract partner is authorized to dispose of the purchased goods as he sees fit by way of normal business.
- (2) The reservation of proprietary rights shall also extend to products arising from the processing, mixture or combination of our goods up to their complete value; in this case we are deemed to be the manufacturer without any obligations. If the right of property of a third party remains valid once the processing, mixture or combination of our goods with their goods has taken place, we shall acquire partial proprietary rights for the newly created product(s) in proportion to the comparative value of our goods compared to the other processed goods at the time of their processing, mixture or combination.
- (3) Our contract partner shall transfer claims against a third party arising from any resale of goods to us with immediate effect and to the full amount, or in proportion to any partial proprietary rights we may have, together with all additional rights and in preference to all other claims, as security. We shall accept any such transfer of claims. Our contract partner is authorized to collect such claims even after their transfer. Our right to collect such claims ourselves shall remain unaffected, but we undertake not to collect such claims as long as our contract partner meets his conditions of payment and other obligations. We can demand that our contract partner shall notify us of any transferred claims and their debtors, shall give us all details necessary for seizure, shall pass on to us any relevant documents and shall inform the debtor of the transfer of claims.
- (4) Our contract partner shall inform us immediately by registered post in the case of any access by third parties to goods and claims which are our property. Such goods or any claims arising from such goods shall not be pledged to third parties, nor be handed over as security, nor shall they be ownership be transferred.
- (5) If any mutual liability is agreed on by ourselves concerning the payment of a purchase price by contract partners, neither the proprietary rights nor any claims arising from the delivery of such goods shall expire until such time as the bill of exchange has been cashed by our contract partners as drawees.
- (6) If the value of the securities exceeds our claims by more than 20%, we shall relinquish our rights to certain items at our discretion on our contract partner's request.

4. Terms of payment

- (1) The invoice amounts are due for payment on delivery in cash or by bank transfer to one of our accounts without deduction insofar as no other terms of payment have been agreed. If special agreements have been made in the invoice, these shall have priority.
- (2) The contract partner is only allowed to set off such claims which have been established as indisputable and legally binding. The right of retention shall only apply if it applies to the same contract.
- (3) We reserve the right to provide security for all business contacts by the use of business insurance and to submit all necessary information about the customer and the contract conditions to the insurer.

5. Deadlines for deliveries and services

- (1) Agreed deadlines for deliveries and services shall not apply until such time as an agreement on the order has been confirmed in writing between the purchaser and ourselves. Observation of the deadline presupposes the punctual receipt of all documents to be supplied by the customer, all necessary authorization, release documentation, punctual clarification and acceptance of drawings, as well as observation of agreed terms of payment and any other obligations. If these requirements are not met punctually, the deadline shall be extended accordingly.
- (2) The deadlines shall be deemed to have been observed in the following cases:
 - a) in the case of deliveries without installation or assembly, when operable consignment has been sent or collected within the agreed delivery period. If the delivery is delayed because of reasons for which the purchaser is responsible, the deadline shall be deemed as having been met once the goods have been reported as having been ready for shipment within the agreed period.
 - b) in the case of deliveries including installation or assembly, as soon as this has been completed within the agreed period.
- (3)
 - a) If a deadline for delivery or services has not been met as the result of mobilization, war, revolt, strikes, lockouts, an act of God or any comparable impediment for which we are not responsible the deadline shall be extended accordingly.
 - b) If we are unable to meet a deadline for any reason other than those mentioned in 5.3 a) – and after a period of 14 days of additional respite (granted by the purchaser) has lapsed and if the purchaser is able to prove that he suffered loss or damage as a result of the delay – the purchaser is allowed to demand compensation for every completed week of delay to the value of 0.5% up to 5% of the value of the part of the delivery or service which could not be used as foreseen due to delayed manufacture of individual components. The purchaser is also entitled to demand compensation for the delay if circumstances mentioned in 5.3 a) only occur after the agreed deadline has not been met for reasons for which we are responsible. Any other claims by the customer in all cases of delayed delivery, including where an extension granted to the supplier has also lapsed, are limited to the threefold amount of the net delivery value. This shall not apply where the delay has been caused by negligence on the part of the supplier or one of his employees.
 - c) The purchaser's right of withdrawal from the contract after a deadline extension granted to the supplier has lapsed without result shall remain unaffected.
- (4) If the shipment or the delivery is delayed due to the purchaser's fault, we are allowed to claim warehousing charges. Warehousing charges are charged at 0.3% of the invoice amount for every month or part thereof since the goods have been reported as being ready for shipment. The warehousing charges are limited to 5% of the invoice amount, unless a case of gross negligence or intention can be proved. The purchaser is allowed to verify that there were no warehousing charges, or that these were lower than charged.

6. Transfer of risk

Delivery is executed at the risk of the receiver. Such deliveries shall only be insured on the explicit instruction of the purchaser. This also applies to free house deliveries and deliveries by our own lorries.

7. Acceptance of deliveries

- (1) Negligible deficiencies shall not be deemed as due course for refusal of acceptance of deliveries.
- (2) Part deliveries shall be permissible as long as relevant interests of the purchaser are not impinged on.

8. Guarantee

- (1) We are entitled to make replacement deliveries within a reasonable period.
- (2) If we apply our right to make a replacement delivery, we are entitled to make improvements within a reasonable period at no cost to the purchaser. We can only bear costs in connection to the remedy insofar as they are appropriate in individual cases in relation to the purchase price of the goods. We will not accept responsibility for costs involved in goods being delivered to a location that is not the residence nor the branch of the purchaser unless this corresponds to the terms of contract.
- (3) Should such improvements fail or they not be carried out within a reasonable period, the legal rights of the purchaser remain unaffected.
- (4) If we apply our right to make an improvement, the purchaser is entitled to withhold a part of the invoice amount; the partial amount shall be no more than the twofold amount of the probable cost of rectification.
- (5) The purchaser must notify of defects in writing within 14 days of delivery to its destination, however no later than immediately after the discovery of a defect. Any further pretences are ruled out. This includes in particular replacement for damages caused that are not directly related to the goods itself (consequential damage).
- (6) Claims for compensation by the purchaser against ourselves and our agents are excluded; this does not apply to claims for damages resulting from injury to life or health. Nor shall the exclusion from compensation clause apply if the damages arise as a result of intentional or extreme negligence of duty by the legal representative or the agents of the supplier.
- (7) Claims on the guarantee by the purchaser shall lapse after a period of 12 months after the time of transfer of risk; this shall not apply for claims arising from assembly contracts, from compensation claims resulting from injury to life or health, nor in the case of malicious behaviour on the part of the seller.

9. General limitation of liability

- (1) We shall only be liable owing to the breach of contractual and non-contractual duties in particular owing to impossibility, default, fault when initiating contracts and tortious act – also for our executives and other vicarious agents – in cases of wilful intent and gross negligence, limited to the damages which are foreseeable when the contract is concluded and are typical for the contract.
- (2) These restrictions shall not apply with the culpable breach of essential contractual duties insofar as the achievement of the object of the contract is in danger, in cases of mandatory liability according to the Product Liability Act, with damages to the life, the body and the health nor if and insofar as we have maliciously failed to disclose faults to the object or guaranteed that they will not exist. The regulations concerning the burden of proof remain unaffected thereby.
- (3) Insofar as not otherwise agreed contractual claims, which the buyer incurs against us due to or in connection with the delivery of the goods, shall become statute-barred one year after delivery of the goods. This deadline shall also apply to those goods which are used for a building in line with their customary method of use and which caused its faulty condition. This shall have no effect on our liability from wilful and grossly negligent breaches of duties and the statute-of-limitations of statutory claims for recourse. In the cases of subsequent performance the statute-of-limitations shall not begin to apply again.

10. Copyright

- (1) We reserve the exclusive rights of ownership and irrevocable rights of usage on all cost estimates, drawings and other documents; any third party shall only be allowed access to these documents after our previous permission. If the order is not placed with us or is not fully executed, any drawings or other documents concerning the order shall be returned to us without delay.
- (2) Insofar as drawings, models, and patterns and other documents are concerned the protection of copyright laws are assumed by the purchaser immediately on delivery. Prohibited use of the good against copyright means we as producers and deliverers of the goods are eligible for damages from the purchaser without having to review legal conditions. The purchaser is liable for legal and other third party related costs that result in connection to this.

11. Place of performance, place of jurisdiction and applicable law

- (1) Unless another written agreement was closed, the place of delivery is Stadtlohn.
- (2) German law is applicable exclusively with exclusion of UN Convention on Contracts for the International Sale of Goods (CISG).
- (3) Place of jurisdiction is the magistrate's court Ahaus or the regional court Münster depending on the amount in controversy.
- (4) Amendments and supplements to these terms and conditions need to be in written form; the same applies to the waiver of the requirement of written form.

Stadtlohn, February 2015