

General Terms and Conditions of Purchase

1. Scope of Application, Conclusion of Contract

- 1.1 The General Terms and Conditions of Purchase of Berthold Sichert GmbH and of Berthold Sichert GmbH & Co. Metallwerk KG (hereinafter the "Purchaser") shall have exclusive application; any terms and conditions of the supplier (hereinafter the "Supplier") which are contrary to or in deviation hereof shall not be recognised unless the application thereof is agreed to in writing by the Purchaser. The General Terms and Condition of Purchase of the Purchaser shall also apply if the contract with the Supplier is performed without reservation and with knowledge of the conditions of the Supplier which are contrary to or supplementary to the Purchaser's General Terms and Conditions of Purchase.
- 1.2 All agreements made between the Purchaser and the Supplier for the purpose of performing this contract must be set out in writing.
- 1.3 Insofar as the offer is made by the Purchaser, the Supplier is obligated to accept the Purchaser's order within a time period of ten days after receipt by return of a duplicate of this order signed by it.
- 1.4 The Purchaser can demand amendments to the delivery object also after conclusion of the contract insofar as such would be deemed to be reasonable for the Supplier. In the case of these contract amendments, the effects to both parties, in particular, with regard to additional or reduced costs as well as the delivery dates are to be reasonably taken into consideration.
- 1.5 These General Terms and Conditions of Purchase shall also apply for all future business transactions of the parties.
- 1.6 Any correspondence related to the contract is to be carried out exclusively with the purchasing department of the Purchaser stating the order number. The contract language is German.

2. Prices, Payment Terms

- 2.1 Prices stated in orders are fixed prices exclusive of the respectively applicable VAT. Insofar as not otherwise agreed in writing, deliveries shall be made with free delivery to the point of use (plant). Insofar as not otherwise agreed, packaging costs are included in the agreed fixed prices. The goods are to be packaged in a manner to prevent transport damage. Packaging materials are to be used only to the extent necessary to achieve the purpose. Only environmentally friendly packaging materials may be used. The obligation of the Supplier to take back packaging shall be governed by the statutory regulations.
- 2.2 Insofar as not otherwise agreed in writing, no compensation shall be paid for shows, presentations, negotiations and/or for the preparation of offers and projects.
- 2.3 Invoices can only be processed by the Purchaser if these contain the order number stated in the Purchaser's order; the Supplier is responsible for all consequences which accrue as a result of non-compliance with these obligations.
- 2.4 Insofar as not otherwise agreed in writing, the purchase price shall be payable and due upon delivery of the goods and receipt of a verifiable invoice from the Supplier. The Purchaser shall be granted a term of 30 days within which to make payment. With payment by the Purchaser within 14 days after receipt of a verifiable invoice but, however, at the earliest after receipt of the goods, the Supplier shall grant a discount in the amount of 3 %, with payment within 21 days, a discount of 2 % shall be granted. Payment is to be made by bank transfer. The Supplier shall provide its respective bank information herof. With partial deliveries, payment shall first be payable and due with the last delivery. This shall not apply for multiple delivery contracts.
- 2.5 Insofar as the Supplier is to provide material samples, test reports, quality documents or other contractually agreed documents, the completeness of the delivery and service shall also be subject to receipt of these documents by the Purchaser.
- 2.6 The Purchaser shall be entitled to rights of set-off and retention in the scope provided by law.

3. Delivery Date

- 3.1 The delivery date stated in the order is binding. Should delivery be made before the agreed delivery date, the Purchaser reserves the right to undertake return delivery at the cost and risk of the Supplier. Should no return delivery take place upon premature delivery, the goods shall be stored at the Purchaser at the cost and risk of the Supplier.
- 3.2 The Supplier shall be obligated to notify the Purchaser without undue delay in writing if circumstances occur or become apparent to it from which it is evident that the agreed delivery date cannot be met.
- 3.3 In the event of default in delivery, the Purchaser shall be entitled to demand lump-sum damages in the amount of 1 % of the delivery value per completed week but, however, a total of not more than 5 % of the delivery value unless the Supplier proves that no damage or a substantially lesser amount of damage occurred as a consequence of the default. Additional statutory claims of the Purchaser are reserved. Reservation of the claim of a contract penalty upon acceptance of a late delivery is not required. The same applies with acceptance of an improper delivery.

4. Performance

- 4.1 The Supplier shall render its deliveries/services according to the state of the art. It shall comply with the laws and regulations as well as the regulatory requirements of the authorities in effect in the Federal Republic of Germany, adhere to court decisions and operate according to the technical rules, standards and guidelines in the versions applicable at the date of the conclusion of the contract. In particular, the Supplier shall observe the rules and regulations of professional associations as well as the generally recognised technical safety and industrial medical rules. Machinery and technical work equipment must be delivered with operation instructions and an EC declaration of conformity in accordance with the Machinery Directive. It is preferable that work equipment with EC conformity be delivered. If no CE marking is issued, then compliance with the afore-mentioned regulations shall be proved to the Purchaser upon demand.
- 4.2 In addition, the Supplier shall render its deliveries/services in accordance with the Purchaser's respectively applicable pertinent delivery regulations.
- 4.3 The Supplier shall be entitled to render instalment deliveries/services generally only with the written consent of the Purchaser.

5. Release from the Delivery Obligation, Rescission of the Contract

- 5.1 Force majeure shall release the contract partners from their performance obligations for the duration of the disruption and in the scope of its effect. The contract partners shall be obligated, within the scope of what is reasonable, to transfer necessary information without undue delay and to adjust their obligations to the changed relationships in good faith.
- 5.2 The Purchaser shall be released from the obligation to accept the ordered delivery, in whole or in part, and is entitled in this respect to rescission of the contract if the delivery is no longer viable for it due to the delay caused by the force majeure - taking into consideration the economic aspects.
- 5.3 The Purchaser can rescind the contract insofar as the Supplier files an application for the opening of an insolvency proceeding related to its assets, an insolvency proceeding related to the Supplier is opened due to the Purchaser's application or a third party or the opening is rejected due to the absence of assets.
- 5.4 Furthermore, the Purchaser can rescind the contract if the Supplier promises, offers or grants benefits to an employee or representative of the Purchaser or a third party in its interest who are dealing with the preparation, conclusion or performance of the contract.
- 5.5 The statutory rescission regulations remain unaffected.

6. Passing of Risk, Documents

- 6.1 Passing of risk shall occur with purchase contracts upon acceptance of the delivery by the Purchaser and, with works contracts and contracts for labour and materials, by formal acceptance by means of an acceptance protocol to be signed by both Parties.
- 6.2 The Supplier is obligated to state the order number of the Purchaser on all shipping documents and delivery notes; if it fails to do so, delays in the processing shall be unavoidable. The Purchaser shall not be responsible herof.

7. Inspection for Defects, Warranty

- 7.1 With goods delivered which are foreseen for further processing by the Purchaser, inspection for defects must not take place upon delivery but can take place in connection with the production preparation. With delivery of other goods which the Purchaser must inspect according to § 377 German Commercial Code (*Handelsgesetzbuch, HGB*), the time period for inspection of

the goods and objection of obvious defects is twelve work days as from acceptance of the delivery. The objection period with hidden defects is twelve work days as from the date of discovery of the defect.

- 7.2 The Purchaser is entitled to all legal claims under warranty in full; at its choice, the Purchaser is entitled to demand remedy of defect or replacement delivery. In this case, the Supplier is obligated to bear all costs required for the purpose of the defect remedy or replacement delivery. Furthermore, the Purchaser is entitled to undertake defect remedy itself at the cost of the Supplier in the case of imminent danger or particular urgency. This shall also apply if the Supplier is in default with defect remedy. The right to damages, in particular, damages in lieu of performance, right to reimbursement of defect and defect consequential damages, the right to reduction of price or the right to rescind the contract remain expressly reserved.
- 7.3 The warranty period for purchase contracts is two years and five years for works contracts and contracts for labour and materials as from the date of passing of risk. Should the notification of defect be received by the Supplier within the warranty period, the warranty claim related to the concrete defect shall be time-barred at the earliest two years after receipt of the defect notification.
- 7.4 Insofar as the Supplier is responsible for product damage, it shall be obligated to indemnify the Purchaser against damage claims of third parties upon first demand insofar as the cause is within its sphere of control and organisation and it would be liable itself in the legal relationship with third parties. In this case, the Supplier is also obligated to reimburse the Purchaser any costs which result from or in connection with a recall action undertaken by the Purchaser.
- 7.5 Upon the demand of the Purchaser, the Supplier shall be obligated to maintain a product liability insurance policy with coverage of at least € 3,000,000.00 per case of personal damage/property damage (lump-sum). Additional damage claims of the Purchaser shall not be affected hereby.
8. **Liability**
 - 8.1 The Supplier shall be liable within the framework of the statutory provisions.
 - 8.2 Should the Purchaser be in default of acceptance or debtor's delay, the claims for expenditures and damages to which the Supplier is entitled shall be limited to 0.2 % of the delivery value per completed month, insofar as the default is not based on wrongful intent or gross negligence.
9. **Industrial Property Rights**
 - 9.1 The Supplier is responsible and assures that no rights of third parties are infringed in connection with its delivery.
 - 9.2 Should a claim be made against the Purchaser by a third parties in this respect, the Supplier shall be obligated to indemnify the Purchaser against these claims. The Purchaser shall not be entitled to come to any agreements of any kind with third parties - without the approval of the Supplier.
 - 9.3 The Supplier's indemnification obligation shall refer also to all expenditures which the Purchaser necessarily accrues from or in connection with the claims made by a third party.
 - 9.4 All of the documents, software, materials and information transferred to the Purchaser shall be transferred to the ownership of the Purchaser for its unrestricted use within the framework of the contractual purpose.
10. **Ownership of Materials Supplied**
 - 10.1 Should the Purchaser provide materials to the Supplier, the Purchaser remains the owner of the materials. Processing or transformation by the Supplier shall be undertaken on behalf of the Purchaser. Should the materials supplied be processed or commingled with other objects not belonging to the Supplier, the Purchaser shall acquire co-ownership in the new object in the proportional relationship of the value of the materials supplied to the other processed or commingled object at the date of the processing or commingling. Should the processing or commingling occur in the manner that the object of the Supplier is to be deemed to be the main item, the Supplier shall transfer to the Purchaser the pro rata co-ownership already at this date. The Supplier shall hold the sole ownership or co-ownership on behalf of the Purchaser.
 - 10.2 Insofar as the Purchaser transfers moulds or tools to the Supplier, these remain the property of the Purchaser. The Supplier is obligated to utilise the moulds or tools exclusively for the manufacture of the goods ordered by the Purchaser and to insure the moulds or tools at replacement value at its own cost against damage caused by fire, water and theft.
11. **Confidentiality**
 - 11.1 The Supplier is obligated to maintain as strictly secret and confidential all illustrations, drawings, calculations and other documents and information received. It may only disclose such to third parties with the express consent of the Purchaser. The confidentiality obligation extends also to personal data. The confidentiality obligation applies also following execution or failure of this contract. Sub-suppliers of the Supplier are to be obligated respectively.
 - 11.2 The conclusion of the contract is to be treated confidentially. Reference to the business relationship with the Purchaser may first be made in advertising materials of the Supplier with the Purchaser's written consent. The Parties agree to treat all non-public commercial or technical details which become known to them through the business relationship as a business secret. Sub-suppliers are to be obligated respectively.
12. **Miscellaneous**
 - 12.1 All disputes shall be decided pursuant to substantive German law. The application of the UN Convention on Contracts for the International Sale of Goods (CISG) is precluded.
 - 12.2 Should the Supplier not be subject to general jurisdiction in Germany or if it is a merchant, legal entity under public law or public special assets, Berlin shall have exclusive jurisdiction for all disputes arising from the business relationship of the parties. The Purchaser is also entitled to file a lawsuit at a court competent at the Supplier's place of business.
 - 12.3 Place of performance for all obligations related to the contract relationship is Berlin.

Berlin, September 2013