

General Terms of Purchase

of Ferratec Werkzeug- & Formenbau Kunststofftechnik GmbH, applicable to all business transactions with suppliers

1. General Provisions

- a) All deliveries, services and offers by suppliers are made exclusively on the basis of these General Terms of Purchase. They are an integral part of and are applicable to any and all contracts for deliveries or services entered into by Ferratec Werkzeug- & Formenbau Kunststofftechnik GmbH (hereinafter also referred to as “Ferratec”) with its suppliers (hereinafter jointly referred to as “Supplier”). They also apply to all future deliveries, services or offers made to Ferratec without having to be agreed again separately.
- b) Any standard terms and conditions of the Supplier shall not apply, even if Ferratec has not expressly rejected them in the individual case. Even if reference is made by Ferratec to a letter containing terms and conditions of the Supplier or of a third party, this shall not constitute acceptance of such terms and conditions, and these shall not apply.
- c) References to the applicability of legal provisions are made for clarification purposes only. Therefore, legal provisions shall apply even without such clarification, unless expressly amended or excluded in these General Terms of Purchase.

2. Orders

- a) Unless Ferratec’s orders expressly make reference to a commitment period, the order shall be binding for a period of two weeks after the date of the offer. Timely acceptance is determined by the date of receipt by Ferratec of the declaration of acceptance.
- b) Ferratec is entitled to terminate the contract for important cause or rescind the contract, in particular if the Supplier has filed a voluntary petition in bankruptcy, or such proceeding is filed against the Supplier, or if the Supplier is in default with payments, unless such default is only temporary, or bankruptcy proceedings have been rejected for lack of assets. This does not apply in case the contract is a continuing obligation on a going concern basis.

This shall also apply in case Ferratec in the course of its business operations no longer has use for the products ordered, due to circumstances beyond its control, which have arisen after conclusion of the contract. In such case, the Supplier shall receive remuneration for those parts of the services, which have been rendered.

3. Prices and Terms of Payment

- a) The price specified in the purchase order is binding.

- b) Unless otherwise agreed in writing, prices include any and all services and ancillary services provided, as well as all ancillary costs (such as proper packaging, cost of transport, including transport and liability insurance, customs). The Supplier shall take back packaging material at Ferratec's request.
- c) Receipt of Ferratec's transfer order by its bank is sufficient for the establishment of timeliness of payments due to be made by Ferratec.
- d) Any and all order confirmations, delivery notes and invoices must specify Ferratec's purchase order number, the article number, the agreed delivery date, the quantity to be delivered and the delivery address. Should one or several of these indications be missing and cause a delay in processing in Ferratec's normal course of business, the agreed payment term shall be extended by the term of the delay.
- e) In case of default in payment, deviating from Section 288 para. 2 of the German Civil Code, Ferratec shall have to pay interest for default at a rate of 5 percentage points above the base interest rate pursuant to Section 247 of the German Civil Code.

4. Delivery Times and Delivery, Transfer of Risk

- a) The delivery time (delivery date or term of delivery) as specified in the purchase order is binding. Early delivery is not permitted.
- b) If circumstances arise or it becomes evident that the Supplier is unable to comply with the agreed delivery time, the Supplier must inform Ferratec in writing without delay.
- c) In case of delayed delivery, after prior written warning, Ferratec is entitled to claim liquidated default damages vis-à-vis the Supplier for each completed week of default in delivery, in the amount of 0,5%, up to a maximum amount of 5 %, of the net price of the goods delivered late. Ferratec reserves the right to prove higher damages. The Supplier reserves the right to prove that the default has not caused any or substantially lower damage to Ferratec.

Further legal claims shall remain unaffected.

- d) The Supplier is not entitled to make partial deliveries without Ferratec's prior written consent.
- e) Risk of damage or loss shall pass to Ferratec only upon delivery of the goods at the agreed place of delivery; this also applies in case shipment has been agreed.

5. Proprietary Rights and Confidential Information

- a) Any and all right, title and interest, including intellectual property rights and copyrights, in and to any images and illustrations, plans, drawings, calculations, instructions, product descriptions and / or other documents (hereinafter jointly the "Materials"), shall remain solely

vested in Ferratec.

The Supplier is obligated to use the Materials solely for the agreed contractual purpose and must return them to Ferratec upon performance of the contractual obligation. The Materials must be treated as confidential vis-à-vis third parties. This obligation also applies for the period after completion / performance of the contract.

This obligation shall remain valid until the information contained in the Materials has become public knowledge.

- b) The Supplier may not make reference in advertising material, brochures, etc. to business relations with Ferratec, nor exhibit deliverables manufactured for Ferratec, without Ferratec's prior written consent.
- c) Tools, equipment and samples which are made available to the Supplier by Ferratec or which have been manufactured for contractual purposes and are invoiced separately by the Supplier will remain or become Ferratec's property. Upon request, the Supplier is obligated to return such objects to Ferratec in good condition when they are no longer required for the performance of the contract entered into with Ferratec.
- d) The Supplier undertakes to bind any and all of his subcontractors to observe the terms of this section 5 of the General Terms of Purchase.
- e) Retention of title on behalf of the Supplier shall only apply insofar as this refers to Ferratec's payment obligations for the respective products for which the Supplier is claiming retention of title. In particular, extended retention of title shall be invalid.

6. Warranty

- a) In case of defects, Ferratec is entitled to all legal rights without restriction. However, deviating from Section 438 para. 1 No. 3 German Civil Code, the warranty period shall be 3 years as of transfer of risk.
- b) Complaints about deviations in quality and/or quantity are deemed to be made in a timely manner if the Supplier is notified of such complaints within 10 working days of receipt of the goods by Ferratec. Hidden defects as to quality are being notified in time if the Supplier is notified within 10 working days after detection.
- c) Acceptance or approval of presented models or samples does not constitute a waiver of Ferratec's warranty rights.
- d) Upon Supplier's receipt of the written notification of defects, the statute of limitations for warranty claims shall be suspended. In case of delivery of replacements or rework, the warranty period for such replacement or rework shall start anew. This does not apply if the

Supplier's actions give Ferratec reason to assume that Supplier delivered replacements or rework as a gesture of goodwill rather than out of a legal obligation to do so.

7. Product Liability

- a) The Supplier is responsible for any and all claims made by third parties for personal injury or property damage caused by a defective product delivered by the Supplier, and is obligated to hold Ferratec harmless from any liability resulting from such claims. If Ferratec becomes obligated to conduct a recall program vis-à-vis third parties for a defective product delivered by Supplier, the Supplier shall bear any and all costs in connection with such recall program.
- b) This does not apply if Ferratec bears substantial co-responsibility for the damage (in case of gross negligence and obvious faults). In this case, an internal pro-rata claim for compensation shall apply which takes into consideration the respective amount of co-responsibility in causing the damage.
- c) At its own expense, the Supplier has to take out and maintain an industrial and product liability insurance policy, including costs (extended product liability) and environmental damages, with a blanket coverage of at least 3 million Euros per case of personal injury and material damage.
In case of long-term business relations, upon request, Supplier annually has to provide Ferratec with proof of the unchanged continuing status and existence of the aforementioned insurance policies.

8. Intellectual Property Rights

- a) The Supplier guarantees that no industrial property rights of third parties existing in countries of the European Union, North America or other countries in which the Supplier manufactures or commissions products will be violated in connection with deliveries made by the Supplier.
- b) The Supplier is obligated to hold Ferratec harmless from any and all claims brought by third parties against Ferratec based on the violation of intellectual property rights as set forth in para. 1 above, and to reimburse Ferratec for all necessary costs in connection with such claims. Ferratec is entitled to this right regardless of whether the Supplier is at fault.

9. Assignment

The Supplier is not entitled to assign claims arising from the contractual relationship to third parties. This does not apply to claims for payment of money.

10. Place of Performance, Place of Jurisdiction, Choice of Law

- a) Hoesbach shall be the place of performance for both parties.
- b) Aschaffenburg shall be the exclusive place of jurisdiction for all disputes arising from the contractual relationship.
- c) The agreements entered into between Ferratec and the Supplier are governed by and construed in accordance with the laws of the Federal Republic of Germany without giving effect to the UN Convention on Contracts for the International Sale of Goods.