

General Terms and Conditions of Purchase of Vulcast Germany GmbH

The General Terms and Conditions of Purchase of Vulcast Germany GmbH apply to business transactions with companies, legal entities under public law and special funds under public law (hereinafter referred to as "Seller").

1. Application

All deliveries and services to Vulcast Germany GmbH (hereinafter referred to as "Buyer") are exclusively subject to these General Terms and Conditions of Purchase and any separate contractual agreements. Deviating terms of sale, delivery and payment of the Seller shall not be recognised unless their validity has been expressly agreed in writing by the Buyer. The Seller's general terms and conditions of business and/or delivery shall not apply even if they are contained in an order confirmation issued by the Seller following the Buyer's order. An express objection by the Buyer is not necessary in this respect. The acceptance of deliveries or services of the Seller or their payment by the Buyer shall also not constitute acceptance of deviating General Terms and Conditions of Business and/or Delivery of the Seller.

2. Conclusion of contract and confirmation of order

- 2.1 Orders, contracts and delivery call-offs as well as amendments and supplements must be made in writing in order to be effective. All verbal and telephone agreements - of any kind whatsoever - require the written confirmation of the contents by the Buyer in order to be effective. Subsequent oral or telephonic changes and additions shall only become effective with the content confirmed in writing by the Buyer. If the Customer's General Terms and Conditions of Purchase are subsequently amended or supplemented, a written confirmation by the Buyer shall also be required for their effectiveness.

The written form shall also be preserved by remote data transmission or telefax.

- 2.2 The order must be countersigned by the Seller immediately after receipt and returned to the Buyer. It shall be deemed accepted as binding if the Seller does not object to the order in writing within a period of 10 working days after receipt.

The determination of the scope of the order shall be based on the order (including attachments) submitted by the Buyer. This shall also apply if the order has not been confirmed in writing by the Seller.

Changes to the contents of the order shall entitle the Buyer to revoke the order placed. The Buyer's right of revocation shall also be triggered if there is no written order confirmation from the Seller, but the delivered order is based on the Buyer's order specifications, in particular with regard to type, quality and quantity, date, price or technical execution.

In the event of the aforementioned deviations, however, the Buyer reserves the right to acknowledge the delivery. In the event of revocation, the return shall be at the expense and risk of the Seller. The Seller may not derive any claims whatsoever against the Buyer from the exercise of the right of revocation pursuant to 2.2 of the General Terms and Conditions of Purchase.

If the Seller intends to deviate from earlier deliveries in type, quality, quantity, price or technical execution, he must notify the Buyer of this in writing in good time before placing further orders. The Buyer's right of revocation for orders already placed or deliveries in transit shall remain unaffected.

- 2.3 The Incoterms in the version valid at the time of conclusion of the contract shall apply to the interpretation of trade clauses.

3. Prices, invoices and terms of payment

- 3.1 The agreed prices are net fixed prices and are understood to be free agreed place of destination including packaging and freight costs and, if applicable, duty paid plus statutory value added tax. If the Seller intends to increase prices, these shall only be binding with the prior written consent of the Buyer.

- 3.2 The agreed prices shall be payable net within 30 days at the discretion of the Buyer, less 3% discount, or net within 60 days without deduction from the due date of the payment claim and receipt by the Buyer of both a properly issued invoice and complete and defect-free delivery or service. Incorrectly issued or incomplete invoices shall not initiate the payment period.

General Terms and Conditions of Purchase of Vulcast Germany GmbH

Payment shall be made subject to invoice verification.

- 3.3 An invoice may not combine several orders and must contain at least the order numbers and the internal order number as well as the weight and type of packaging of the Buyer. If the Seller is required to provide material tests, test reports, quality documents or other documents, the completeness of the delivery and service shall also presuppose the receipt of these documents by the Buyer. At the latest with the invoice, the Seller shall submit the proofs of origin requested by the Buyer, duly completed and signed. The same shall apply mutatis mutandis to evidence under customs and turnover tax law for deliveries or services abroad and within the Community.
- 3.4 The discount deduction can also be carried out under the conditions stated in 3.2 by the Buyer declaring the offsetting with open counterclaims within the deduction period. In the event of defective deliveries/services, the payment period and thus also the discount deduction period shall not commence until the defects have been completely remedied.
- 3.5 Payments made by the Buyer on invoices shall neither constitute recognition of the deliveries or services as being in accordance with the contract nor a waiver of the reservation of invoice verification.
- 3.6 The Buyer may make the performance of agreed down payments dependent on the provision of a directly enforceable, irrevocable, unlimited and unconditional guarantee from a major German bank for the down payment amount.
- 3.7 The Buyer shall only be in default if he does not pay after a reminder from the Seller, which is issued after the due date has passed, unless the reminder is issued within the maximum payment period of 60 days after the due date granted under Section 3.2. Such reminders shall not constitute any default on the part of the Buyer.

4. Deadlines, missed deadlines and contractual penalty

- 4.1 The delivery and performance dates stated in the order are binding and are to be understood as dates of arrival at the place of receipt indicated by the Buyer. The timeliness of deliveries or subsequent performance shall be determined by the date of receipt at the place of receipt specified by the Buyer. If, in addition to the delivery, installation or assembly has been agreed, the acceptance of the installation or assembly services by the Buyer shall be decisive for the timeliness. Even in the case of other services, timeliness shall depend on the time of acceptance by the Buyer.

If the stated delivery and performance dates are exceeded, the contractor shall be in default without reminder.

- 4.2 In the event of a recognisable delay in delivery or performance or subsequent performance, the Buyer is to be informed immediately - by e-mail or fax - of the reason for and duration of the delay and his decision on the exercise of the right of revocation pursuant to 2.2. of these General Terms and Conditions of Purchase is to be obtained. If the order is not revoked, the Buyer may, in order to compensate for any delay, demand that the Seller selects the fastest possible mode of shipment at no extra charge. Any further claims of the Buyer shall remain unaffected.
- 4.3 If the agreed period is exceeded for reasons for which the Seller is responsible, the Buyer shall be entitled to demand a contractual penalty in the amount of 0.2% of the respective order or call-off value per day of delay for the duration of the delay. However, the total contractual penalty may not exceed 10% of the respective order or call-off value. Further claims of the Buyer remain unaffected. The Buyer can demand the contractual penalty up to the final payment. Optionally, the Buyer may also set off against due payment claims of the Seller or reserve the right to set off up to the time of the final payment.

5. Delivery, shipping and packaging

- 5.1 Delivery shall be made free of all ancillary costs and expenses at the expense of the Seller free place of receipt. If prices have been agreed ex works or ex warehouse of the Seller, the goods shall be shipped at the lowest possible cost, unless the Buyer has specified a specific mode of transport. In the case of pricing free to consignee, the Buyer may also determine the mode of transport. Additional costs for any accelerated transport necessary to meet the delivery date shall be borne by the Seller (see Section 4.2).
- 5.2 Each shipment shall be notified to the principal immediately in duplicate, in the form of a dispatch note and in the form of a delivery note. The dispatch note and the delivery note must bear at least the Buyer's order number and the internal order number as well as the weight and type of packaging. The Buyer shall be entitled to reject deliveries which have

General Terms and Conditions of Purchase of Vulcast Germany GmbH

not been properly made or notified at the expense of the Seller. In this case, the Seller shall bear the risks of return transport.

- 5.3 Deliveries to the place of receipt may only be made from Monday to Friday (with the exception of public holidays and days of business interruption) between 7.30 a.m. and 2.30 p.m.
- 5.4 The costs of packaging shall be borne by the Seller unless otherwise agreed. Unless otherwise agreed, the Buyer shall dispose of the packaging material.

6. Transfer of risk and ownership

- 6.1 The risk of accidental loss and accidental deterioration of the goods shall be borne by the Seller in the case of deliveries until receipt at the place of receipt indicated by the Buyer. In the case of deliveries involving installation or assembly and in the case of services, the risk shall pass to the Buyer upon acceptance. If the delivery is returned as a result of a warranty claim, the risk shall pass to the Seller upon completion of reloading onto the carrier.
- 6.2 Ownership shall pass to the Buyer upon completion of the unloading process at the place of receipt and handing over of the delivery note.

7. Outgoing and incoming inspection, deadline for complaints

The Seller shall only deliver parts which have been fully inspected and found to be good and shall therefore refrain from carrying out a detailed incoming inspection at the Buyer's premises. Immediately after receipt of the deliveries, the Buyer shall check in the ordinary course of business whether they correspond to the ordered quantity and type as well as whether there are any externally recognisable transport damages or defects. Such immediately recognisable defects the Buyer shall notify the Seller immediately. Hidden defects shall be notified by the Buyer within 14 days following their discovery. The Buyer shall have no further duties towards the Seller than the above-mentioned duties of inspection and notification. In this respect, the Seller waives the objection of late notification of defects.

8. Liability for defects and remedy of defects

- 8.1 The Seller warrants that his deliveries/services are free of defects and fit for the agreed contractual purpose, have the agreed quality and that all guarantees required in the order have been fulfilled. The Seller further warrants that his deliveries/services comply with the rules of technology, the regulations and guidelines issued by the legislator, the supervisory authorities and employers' liability insurance associations and the VDE with regard to execution, accident prevention and environmental protection and that he has successfully completed all environmental impact tests prescribed for the type of product.
- 8.2 If no longer provided for by law, the warranty period shall be 24 months from delivery or acceptance of the service or the entire system by the Buyer. In the case of parts subject to wear and tear, the Seller warrants that these will at least survive the usual number of operating hours without defects and can be used without defects for the agreed or customary purpose for at least 12 months after commissioning. In the event of subsequent performance by replacement delivery or subsequent improvement, the warranty period for the subsequent delivery items or the subsequent improvement service shall also be 24 months, beginning with the time of subsequent delivery or acceptance of the installation and repair work.

The warranty period for delivery items and services shall be extended by downtimes in the Buyer's production run caused by defects and work to remedy defects carried out by the Seller.

- 8.3 If defects are discovered before or during the transfer of risk, or if they occur during the periods specified in Section 8.2, the Buyer may, at his discretion and at the expense of the Seller, demand delivery of a defect-free item or rectification of the defect as subsequent performance. This shall also apply to deliveries for which the inspection has been limited to random samples. The Buyer's choice shall be made at his reasonable discretion. All costs and expenses incurred as a result of subsequent performance (including installation and removal costs at the Customer's plant / machine, the provision of necessary fitters or assistants as well as their travel costs and transport and disposal costs) shall be borne by the Seller. The return of defective deliveries shall be at the expense and risk of the Seller.

General Terms and Conditions of Purchase of Vulcast Germany GmbH

- 8.4 In case of urgency, in particular to avoid the Buyer's own delay or to avert disproportionately large damages, in case of the Seller's delay in delivery or subsequent performance, in case of unreasonability of the rectification or the Seller's refusal to immediately tackle the rectification or to carry out the rectification, the Buyer shall be entitled to rectify the defects himself or have them rectified at the expense of the Seller.

As far as possible and reasonable, the Buyer shall inform the Seller in advance of the substitute performance and request the Seller to be present. The substitute performance shall not affect the Seller's warranty obligations for damages caused by defects and consequential damages caused by defects.

- 8.5 If the substitute performance does not lead to success, if it is not possible or unreasonable or if it fails, the Buyer shall have the choice between withdrawal from the contract or reduction of the delivery price. Further legal claims, e.g. due to non-compliance warranties and damages remain unaffected by this.
- 8.6 All warranty claims - except in cases of fraudulent intent - are subject to a limitation period of 24 months, beginning with the notification of the defect, but not before the end of the warranty period in Item 8.2. The notification of the defect interrupts the limitation period for the notified defect. Further or other statutory claims shall remain unaffected by the provisions of Item 8.

9. Spare parts

The Seller warrants the availability of all assemblies and spare parts essential for the function of the delivery/service for a period of 10 years from delivery or acceptance of the service. If the Seller breaches this obligation, the Buyer shall be entitled to rebuild or have rebuilt parts that are no longer available at the Seller's expense. The Seller shall assist the Buyer in all respects, in particular by providing production drawings and plans and by procuring any necessary copyrights and industrial property rights.

10. Product liability and insurance coverage

- 10.1 The Seller shall indemnify the Buyer against any claims for damages brought against the Buyer as a result of product liability if and to the extent that the asserted damage was caused by a defect in the items delivered or services rendered by the Seller. In the case of liability based on fault, however, this shall only apply insofar as the Seller is at fault. If the cause of the damage lies within the area of responsibility of the Seller, the Seller shall bear the burden of proof in this respect.

The Seller shall bear all costs and expenses, including the costs of any legal proceedings or a recall campaign which may become necessary, within the scope of his responsibility to be established in accordance with item 10.1.

- 10.2 Upon request, the Seller shall prove to the Buyer that it has sufficient product liability insurance prior to the execution of the contract or order. If no proof is provided or if the Seller refuses a necessary increase in the sum insured up to sufficient coverage of the liability risk, the Buyer shall be entitled to terminate the contract with immediate effect or to revoke any orders without the Seller being able to derive any claims from this.

In such cases, the Buyer shall be entitled to claim damages from the Seller.

11. Industrial property rights

The Seller warrants that no industrial property rights including copyrights shall conflict with the contractually agreed use. In the event of infringement of third-party rights, the Buyer shall be entitled to withdraw from the contract or terminate the contract with immediate effect. In this respect, the Seller is obliged to pay damages (including the costs of any legal defense and legal costs).

In addition, the Seller shall indemnify the Buyer against all claims of the affected owners of industrial property rights and copyrights. The Seller shall modify the delivery item in a way that is reasonable for the Buyer and in such a way that the infringement of industrial property rights no longer exists. The modifications must ensure that the goods are used in accordance with the contract. If modifications to achieve the intended use are not possible or cannot be implemented in an appropriate manner, the Buyer may also acquire all necessary rights of use and enjoyment at the expense of the Seller.

General Terms and Conditions of Purchase of Vulcast Germany GmbH

12. Drawings, documents, secrecy

- 12.1 Drawings, standard sheets, print templates, gauges, models, moulds, samples, profiles, tools and all other documents handed over to the contractor for the preparation and execution of the order as well as the know-how embodied therein shall remain the sole property of the Buyer and may neither be passed on to third parties nor used for purposes other than the contractual purposes without the written consent of the Buyer. They shall be marked separately as the property of the Buyer, kept strictly confidential and returned immediately upon the Buyer's request (including all copies and transcripts as well as any other records made). Furthermore, they shall be carefully maintained and stored by the Seller at the Seller's expense and insured against damage, loss and removal by third parties. Repairs and modifications require the written consent of the Buyer.
- 12.2 The Buyer reserves all rights to drawings and products manufactured according to his specifications. If the Seller manufactures tools or other necessary production equipment according to the specifications of the Buyer, the Seller shall immediately transfer all rights including ownership to the Buyer, even if the tools and production equipment remain in the direct possession of the Seller for the execution of the order.
- 12.3 Operating instructions, maintenance plans, safety data sheets, product descriptions and drawings for wear parts are the subject of the Buyer's orders.

13. Assignment of claims, insolvency and special right of termination

- 13.1 The assignment of payment claims of the Buyer by the Seller from contractual relationships is only permitted if the Buyer has previously agreed in writing. A breach of the requirement of consent shall entitle the Buyer to withdraw from the contract in whole or in part and to revoke orders already placed as well as to claim damages.
- 13.2 If the Seller ceases payments or if insolvency proceedings are instituted against the assets of the Seller, the Buyer shall be entitled to rescind the contract in whole or in part. In the event of rescission, the Buyer may make use of existing facilities for the continuation of the work against appropriate remuneration. The same shall apply to deliveries and services of the Seller made to date, unless these have already been remunerated. In this case, the Buyer shall be granted the claim free of charge.

14. Compliance/Energy Management

- 14.1 Vulcast Germany GmbH operates an energy management system according to ISO 50001 with the aim of constantly improving its energy efficiency. Therefore, the energy-related performance is partly taken into account when evaluating the procurement.

Suppliers and service providers are requested to support us within the scope of their activities.

- 14.2 The supplier undertakes to comply with the relevant statutory regulations on dealing with employees, environmental protection and occupational safety and to work to reduce the adverse effects of his activities on people and the environment. In particular, the energy efficiency of the products, equipment and services offered is, in addition to economic aspects, a decisive factor in the awarding of our contracts. Environmental protection and, in particular, energy efficiency aspects must be appropriately taken into account.
- 14.3 The supplier shall be obliged to design technical systems and equipment in accordance with the latest state of the art, insofar as this does not conflict with the recognised rules of technology, and in compliance with the relevant laws, regulations and conditions, in particular in compliance with the Occupational Health and Safety Act, the Industrial Safety Ordinance and the Equipment and Product Safety Act (GPSG) as well as their regulations and technical rules.
- 14.4 The supplier must ensure that systems do not consume more energy than is required for their intended use. The most energy-efficient drives, motors and other active components possible shall be used for the design of systems. The total energy requirement of the plant must not exceed that of a comparable reference plant of the same type and size/performance.

The supplier must inform us of the required expert operation, necessary maintenance and repair measures, inspections required for proper use and trouble-free operation and must hand over the corresponding documents, e.g. maintenance instructions.

General Terms and Conditions of Purchase of Vulcast Germany GmbH

15. Other

- 15.1 The involvement or modification of subcontractors or suppliers requires the prior written consent of the Buyer. Such consent shall not affect the Seller's liability towards the Buyer.
- 15.2 The Buyer shall store the data necessary for processing the order by EDP. The Seller agrees to this at the latest by accepting the order, even if this was done tacitly.
- 15.3 The Seller must treat the conclusion of the contract confidentially and may only advertise this order as a reference order with the prior approval of the Buyer.
- 15.4 The Buyer is entitled at any time during the usual business hours of the Seller to check the production status and to request information about the processing status.
- 15.5 The Seller shall inform the Buyer immediately if its delivery/service is wholly or partly subject to import or export restrictions under German or other law or subject to approval under German or other law in the sense of the applicable export and customs regulations.
- 15.6 Place of performance for deliveries and services as well as payments shall be the domicile of the Buyer.
- 15.7 Insofar as these Terms and Conditions of Purchase do not contain any provisions, the statutory provisions of the Federal Republic of Germany shall apply exclusively to the exclusion of conflict of laws provisions and the UN Convention on Contracts for the International Sale of Goods (CISG).

The place of jurisdiction shall be Trier. The Buyer shall also be entitled to bring an action at the Seller's principal place of business.

- 15.8 In the event that individual provisions of these General Terms and Conditions of Purchase are invalid, the remaining provisions shall remain binding. The invalid provision shall be replaced by the statutory provision which comes closest to the invalid provision.

28 April 2016

Vulcast Germany GmbH