

General terms and conditions (GTC) of WINNEN-Metall GmbH & Co. KG

I. Contract formation and content

- 1.) The following terms and conditions of business apply exclusively to all business transactions except transactions with consumers in line with § 13 BGB (German civil code). General terms and conditions of the customer that are contrary to or differ from the following terms and conditions are rejected; we shall only recognize these if we have given express written consent. Our terms and conditions apply even if we render delivery without reservation while knowing of contrasting or varying terms and conditions.
- 2.) Verbal agreements require a subsequent written confirmation in order to be valid.
- 3.) Our offers are not binding, noncommittal and subject to change without notice. In case of commission specifications from any offer lose their validity by our confirmation of order.
- 4.) This terms and conditions of sale shall also apply to all future transactions with the customer even if this have not been expressly agreed on again.

II. Prices and payment

- 1.) Our prices are ex-works or ex-warehouse, exclusive of transportation charges and packaging; which will be additionally invoiced accordingly when indicated.
- 2.) We reserve the right to change our prices in an appropriate manner if increases or decreases in costs take effect following the formation of the contract, especially because of alteration of regulations under public law or changing prices for material and commodity. We will provide evidence of these changes to the customer upon request. Any price changes of our pre-suppliers will be passed along proportionally.
- 3.) Any applicable value added tax is not included in our prices; it will be separately declared at the statutory level on the date of maturity.
- 4.) Our bills are strictly net and payable within 14 days from the date of invoice. In event of default the statutory regulations take effect.
- 5.) If shipping cannot take place through missing instructions or missing documents or is the delivery delayed through any other causes we are not responsible for, the complete billing amount shall be due 30 days after the announcement that the goods are ready for dispatch or after the dispatch. Costs of storage will be charged additionally.
- 6.) As a general rule offsetting mutual due claims is agreed upon, contrary terms are ineffective. Offsetting by the customer is only admissible if the counter claims are determined without further legal recourse, uncontended or approved by us. A right of retention is excluded to this extend equally. Offsetting is exercised by unilateral declaration. Counter claims may not be assigned or pledged unless our option to offset is not affected by any means.

III. Passing of risks / terms of delivery

- 1.) Ex-works delivery is agreed. Risk of loss and deterioration of goods is transferred to the customer or subcontractor and we will be released from our obligation to deliver as soon as goods are passed to the transport company or freight forwarder and at the latest when goods leave the factory or storage, regardless of whether it is a free or fricht collect delivery.
- 2.) Stated delivery dates or periods for any delivery by us which have not expressly been agreed as binding are exclusively non-binding information. Our delivery periods begin with the date of our order confirmation, however not before final clarification of all technical questions and all details of performance.
- 3.) The fulfillment of our delivery conditions is subject to the prompt and orderly fulfillment of the obligations on the ordering party. The Purchaser must have properly fulfilled his duties to cooperate; in particular the ordering party must have procured required official certificates from home and foreign authorities. The objection of nonperformance remains reserved.
- 4.) Delivery dates or periods refer to the time of dispatch ex-works or ex-warehouse. They are considered to be observed with the notice that the goods are ready for dispatch if the goods cannot be dispatched in time for reasons that we are not at fault for. Goods ready for dispatch have to be called instantly, otherwise we reserve the right to assert compensation for damages like warehousing costs and to charge the goods immediately.
- 5.) If the customer is in default of acceptance or culpably violates other obligations to cooperate, we are entitled to demand compensation for resulting damages including any extra expenses; upon default of acceptance or payment the risk of accidental deterioration and accidental loss of the goods passes to the customer.
- 6.) We shall be liable according to statutory provisions:
 - If the underlying contract of purchase is a transaction at a fixed date as defined by Article 286 para. 2 no. 4 BGB (German Civil Code) or Article 376 HGB (German Commercial Code).
 - If, as a consequence of a delay in delivery caused by us, the buyer has the right to assert that his interest in a further contract fulfilment no longer applies.
 - If the default in delivery depends on a willful or grossly negligent breach of contract for which we are responsible. Unless the delayed delivery is not occasioned by an intentional breach of contract for which we are responsible, our liability is limited to foreseeable and usually occurring damages.
 - If the delay in delivery is based on a culpable violation of an essential contractual obligation on our part; the liability for damages is limited to predictable damage that might typically occur.
- 7.) In the event of delay in delivery the customer has no right to damages instead of delivery if we can furnish evidence of missing fault.
- 8.) Without prejudice to our rights derived from a delay in performance on customer's part, the delivery periods shall be extended in accordance with the period by which the customer is delayed in fulfilling its obligations owed to us. This applies to delivery dates accordingly.
- 9.) For any order placed by us, the delivery dates or periods specified by us are binding for the vendor. If free of all charges delivery is agreed, our vendor shall be released from its delivery obligations and obligation provide the ownership at the earliest on arrival of the goods on our business premises.

IV. reservation of proprietary rights

- 1.) We retain title to all delivered goods until all of our claims held against the customer from the business relationship are settled (retention of title). If the customer has a current account with us, our retention of title also applies to any acknowledged outstanding balance. In the event of conduct of the customer that is not in conformity with the contract, especially in the event of a delay in payment, we are entitled to withdraw any goods subject to retention of title after setting a deadline. The withdrawal of the goods by us shall not constitute a rescission of the contract unless we expressly state this in writing. We are entitled to realize any goods that has

been withdrawn in context with retention of title. The realization revenues shall, reduced by reasonable realization costs, be offset against the customer's liabilities.

2.) The customer has to treat the goods subject to retention of title carefully and to insure it sufficiently for the reinstatement value against damages by fire, water or theft on his own expense.

3.) In case of garnishments or other interventions by third parties, the customer shall indicate all goods that are our property and inform us immediately in writing, so that we can assert our title. If the third party is unable to reimburse us judicial or out-of-court expenses within this context, the customer shall be liable for these.

4.) The customer is entitled to sell or use the goods subject to retention of title in the usual course of business as long as he is not in default of payment. The customer hereby assigns to us any claim and any current account balance claim up to the respective final invoice total (including value added tax) that arise from resale or any other legal reason of the goods, regardless of whether the goods subject to retention of title are resold without or after processing. We hereby accept the assignment. The customer is revocable entitled to collect these claims from the resale after the assignment. Our authority to collect assigned claims ourselves remains unaffected. However we agree not to collect any claims, as long as the client duly meets its payment obligation from the revenue earned, has not defaulted on payment and no application for the opening of insolvency proceedings has been filed or a suspension of payment has occurred. However, if any of this is the case we can request that the customer informs us of the affected claims and their debtors, provides all information which are necessary for the collection, hands over the relevant documents and informs the debtors of the assignment.

5.) Any processing or modification of the goods subject to retention of title by the customer is always performed on our behalf. If goods supplied under retention of title are processed or irreversibly associated with other goods that do not belong to us, then we shall acquire co-ownership of the new goods at the ratio of the value of the goods supplied under retention of title (final invoice value including value-added tax) to the value of the other processed goods at the time of processing. Any new goods of those shall be subject to the same terms and conditions as the reserved property.

6.) If any goods supplied under retention of title are irreversibly associated or merged with other goods which do not belong to us, then we shall acquire co-ownership of the new goods created at the ratio of the value of the goods supplied under retention of title (final invoice value including value-added tax) to the value of the other associated or merged goods at the time of associating or merging. If such merging is performed in a way that the goods of the customer can be regarded as the main good of the created goods, it is agreed that the customer shall assign co-ownership to us on pro-rata basis. We accept the assignment hereby. The customer shall hold the sole property or joint property in safe custody for us.

7.) If the realizable value of the securities held by us exceeds our claims by more than 10%, we shall be obliged to release such securities as we may choose, if so requested by our customer.

V. Quality demands for suppliers

1.) Only those materials may be offered, delivered and sold which are free from substances adhering to them, like high oily emulsions, chloroparaffin, PVC, PCB, PCP or PCT. Through the acceptance of these general terms and conditions (GTC) the Supplier expressly confirms that aforementioned substances are not included as elements or adherences.

VI. Warranty / Liability

1.) Warranty rights of the customer shall exist only if the customer properly fulfilled its obligations to inspect and to give notice of defects according to § 377 HGB (German commercial code).

2.) In the event of defects in goods supplied by us, we shall be entitled, at our sole discretion, to opt for repair of the defect or replacement by non-defective goods, as long as we are not entitled by law to refuse supplementary performance. In case of remediation of the defect, we have to pay the required expenses, as far as these are not increased, because the goods of the contract are located at another place than the place of performance. We shall only pay costs up to the amount of the purchase price.

3.) If the supplementary performance is unsuccessful, the customer shall be entitled to demand rescission or price reduction at his option. Supplementary performance shall at the earliest be deemed as failed after the second attempt has failed, if not further attempts to supplementary performance are appropriate or reasonable due to the subject matter of the contract.

4.) Claims for damages, relating to the following conditions may only be asserted by the customer if the supplementary performance finally fails. We shall be liable according to statutory provisions:

- If the customer asserts a claim for damages due to intent or gross negligence, including those due to intent or gross negligence of our agents or auxiliaries.

- As far as we are not charged of having violated the contract intentionally, the liability for compensation shall be restricted to the predictable damage that typically occurs.

- If we culpably breach an essential contractual obligation; in this case, the liability is limited to the predictable damages that typically occur.

5.) Liability for culpable injury to life, body or health remains unaffected; this also applies to mandatory liability in accordance with the product liability act.

6.) Unless the previous paragraphs do not state otherwise, any liability is excluded, e.g. our liability for damages by the supplied goods to the customers legally protected rights or goods is excluded.

7.) Any warranty claims of customers shall expire one year from passing of risk.

8.) The statute of limitations in the event of a delivery recourse according to §§ 478, 479 BGB (German civil code) remain unaffected; it is five years, beginning from delivery of the faulty object.

VII. Place of jurisdiction / Place of performance

1.) Place of performance and place of jurisdiction for all legal relations is our company's registered office; however we shall be entitled to bring proceedings against the contractual partner before the court at his place of residence or business as well.

2.) The law of the Federal Republic of Germany shall apply with the exclusion of UN international trade law (CISG).

VIII. Severability clause

Should individual terms of this agreement be ineffective or lose their effectiveness due to later circumstances or should a loophole in this terms emerge, the legal effectiveness of the other provisions is not affected.

IX. Translation

In the event of discrepancies between the German and English version of these general terms and conditions, the German version shall prevail.

Iserlohn, 14.09.2014