

## General Terms and Conditions

Coating Center Castrop GmbH  
Am Förderturm 14  
44575 Castrop-Rauxel  
Status 01.01.2015

### Miscellaneous

1. The following terms and conditions are decisive for this and all future businesses, irrelevant of how they are concluded.
2. We reserve the right to complement or change these terms and conditions for individual technical areas with special terms (see "Special Conditions" in the offer and/or order confirmation).

### Delivery

1. Delivery periods shall only begin following the full clarification of all technical and commercial details and after the contractual fulfillment of all previous obligations.
2. Partial deliveries shall be permissible.
3. In general, we deliver from storage or ex-works on expense of the customer. The risks shall be passed to the customer, as soon as the goods have been loaded into the means of transport. If a transport insurance was contracted by us, the conditions in the insurance confirmation apply.
4. Goods that are not called up but were supplied shall be either stored or dispatched at the risk and costs of the customer.
5. We shall be entitled to select suitable packaging and means of transport.
6. Means of transport and containers provided by us shall be emptied immediately and shall be returned in a cleaned state, prepaid and free of all charges. The customer is liable for the latter with the replacement value, at least in the amount of the due demurrage and rents, without regard to fault.
7. Force Majeures, chance, strikes, lockouts, transport and supply difficulties, war, riots official prohibitions, refusals of import and export licenses, as well as all circumstances beyond our control, which make a delivery impossible shall release us from delivery obligations, without the customer being authorized to submit claims due to non-delivery. Material that has already been purchased must be accepted and has to be paid along with previously provided services.
8. In the event of a delivery delay due to circumstances named in section 7, we shall be entitled to completely or partially withdraw from the contract. In the case that we do not reliably answer the request to deliver within a reasonable period, the customer shall be entitled to withdraw from the contract.
9. If in the circumstances outlined in section 7, the goods available are not sufficient to satisfy all customers, we shall be entitled to make proportional cuts.
10. The circumstances and rules listed in 7 and 9 are effective during an already given delay as well.

## Retention of Title

1. All deliveries shall be subject to retention of title and extended retention. The payment of a specific single delivery shall not change the retention of title.
2. The customer shall be obliged to store goods delivered by us separately and to ensure an appropriate separation during production. The customer shall post the sales accordingly.
3. The customer shall process the goods for us, without any obligations accruing to us. If the goods are mixed or integrated into other properties, we shall acquire co-ownership of the new property to a ratio, which complies with the gross invoice of goods provided by us in proportion to the value of the other items. The same applies to the consumption of the goods we deliver for production as well as when the customer purchases co-ownership of the new item.
4. In ordinary business operations, the customer shall be allowed to resell goods delivered by us as well as the new property. The claims from these transactions have to be ceded now. Until revoked, the customer shall be entitled to collect the claims as a trustee. When items are sold, in which we only have a joint ownership, the assignment applies in the amount of the gross invoice value of the goods delivered by us.
5. We shall be entitled, without limitation, to demand the surrender of goods, revoke the power of attorney, assert claims against third parties, in particular in cases of objections to bills of exchange and checks, if application for insolvency or settlement proceedings are requested, or if the customer falls into arrears. If we take the goods back, this shall not be a withdrawal from the contract, unless the Installment Purchase Law applies.
6. Regardless of potential disputes, there shall be the right of information, inspection of business records, and making copies insofar as this is necessary to determine these rights.
7. In case of excess securities we shall, on demand of the customer, declare the release of the goods within reasonable limits.

## Property Rights

1. We shall not assume any liability with respect to third party property rights (e.g. patents, licenses, trademarks) by the use of our products or combining them with or installing them into other products.

## Quantity, Quality, Complaints

1. We deliver based on the company's own qualifications. Our analyses and measurements are decisive. Solely our analysis- and measurement methods shall be used.
2. Special technical requirements and uses shall be finalized in writing when placing the order and must be confirmed by us in writing. In this case, we shall request the goods to be accepted at the production site.
3. Upon receipt, the customer shall immediately examine every batch, according to all technical requirements and reasonable examination methods, where appropriate also with his customer. In any case, the examination shall take place prior to production. If defects only appear when the production was started, the production shall be stopped immediately. Damages or shortages noticed upon delivery shall be notified in writing within 10 days to us and the carrier or shipping agent. Hidden defects shall be reported immediately in

writing after discovery, but no later than three month after the delivery. Warranty claims due to material or quality defects shall be excluded after expiry of said periods.

4. The warranty period shall be six month. The right of the customer to assert claims for defects shall expire in all cases from the date of the timely notice of the defects within 6 months after delivery.
5. In case of justified defects, excluding any further claims, there shall be the right to a replacement delivery free of charge or repair at our discretion. A failed substitute delivery or repair shall entitle the customer to the right to transformation or reduction. This regulation also shall apply to wrong deliveries.
6. For consequential deficiency damages due to the lack of assured properties we shall only be liable within the coverage provided by our business liability insurance.

### Liability

1. In case of any breach of contract duties, we only shall be responsible for intent and gross negligence. Regarding accomplices, our liability shall be limited to a careful selection as well as intentional or gross negligence of supervisory duties. Insofar as we shall be liable within this framework, the customer shall only be able to make claims for expenses for a covering purchase or provision of a replacement, or to withdraw from the contract. Further claims, especially for replacements of damage that have not occurred on the delivered goods, are excluded, unless there is intent or gross negligence on our part.
2. Our possible liability is limited for any case to the double value of the delivered goods, respectively, the partial delivery concerned.
3. Clauses 1 and 2 shall apply accordingly to possible claims of the customer, resulting from proposals of advices prior to or after the conclusion of contract, or claims resulting from breaches of contractual ancillary obligations, or claims resulting from misconduct.

### Prices and Payment

1. The valid list prices at the time of delivery shall apply, unless otherwise expressly agreed in writing. Charges levied for the transaction, such as taxes shall not be covered by us. Tariff increases etc. after conclusion of the contract are at the expense of the customer. The prices apply – unless otherwise agreed – ex-works, excluding packaging and exclusive of value added tax.
2. Payment shall be made net at the latest 10 days after the date of invoice unless otherwise expressly agreed in writing. Checks, bills of exchange, and other payment documents shall not be deemed payment until after they have been honored, whereas the costs shall be borne by the customer.
3. Upon default of payment, we shall be entitled the following rights: Charging bank interest at the rate customary in banking, additionally costs for unsecured credits, and claiming damages for non-performance. We shall also be entitled to perform further deliveries only against advance payment, irrespective of previous agreements. Furthermore, we shall be entitled to exercise all rights arising from retention of title and to immediately enforce all claims, irrespective of previous agreements.
4. Default of payment shall be the same as application for opening of insolvency or settlement proceedings, suspension of payment or material changes in preciously assumed assets; or results of operations.

5. Offsettings shall only possible with uncontested or legally determined entitlements.
6. All refunds for duties paid by us shall be due to us and the customer agrees to provide us will all documents necessary to obtain such refunds; and to help us with the proceedings.

#### Miscellaneous

1. Compliance for our deliveries shall be the manufacturer's plant or our warehouse, even for freight-free shipments. The place of performance for contractual liabilities of the customer is Castrop-Rauxel.
2. Governing law shall be the law of Germany.
3. The Uniform Law on the International Purchase of Goods and the Uniform Law on the Conclusion of International Contracts on the Purchase of Goods shall not apply. In the case of export transaction, the current version of the "incoterms" shall apply in addition.
4. The place of jurisdiction shall be, as far as it can be agreed under the Civil Procedure Rules, Castrop-Rauxel. Amendments to these conditions shall be in writing.
5. Data of the customer, insofar as they are within the scope of the purpose of this contractual relationship, shall be recorded, stored, and possibly transmitted and modified by our data processing.
6. If any provisions of these terms of sale should be or become invalid, this shall not take into account the effectiveness of the other parts of the conditions, which shall then be interpreted in such a way as to achieve their intended economic success.

#### Conditions of Supply for Products

1. We coat and process all parts sent by the customer according to our own company's qualifications and experience. Changes to the specifications defined by the customer shall be possible after written agreement. The state of delivery of the parts to be coated shall comply with the particulars of the offer or the order; otherwise we shall not be liable and necessary follow-up works and additional expenses shall be borne by the customer.
2. If prices deviate from the offer, the information in the order confirmation shall apply. Any orders that are not preceded by an offer as well as additional work shall be charged according to expenses.
3. All documents relevant for the order, in particular illustrations, drawings, samples, and tools, shall remain our property. Manufacture of new items due to article-related changes or wear shall be charged.
4. If the delivery is not accepted in time and/or not completely, we shall be entitled to dispatch the goods without acceptance or to store them at the customer's expense and risk. The goods shall be regarded as contractually delivered on the date of dispatch or storage, provided that we inform the customer of this legal consequence with the dispatch or storage and provided that he does not object within two weeks.
5. Packaging and delivery of the products are not part of our contractual services. If these services are accepted in individual cases, this shall be at our courtesy and defrayal of expenses.
6. The customer shall insure the goods to be delivered against damage in transit.
7. For work-related rejects or deficient quantities of serial items up to 3% of the total quantity, no liability shall be assumed by us.

8. The risk of loss or deterioration of the delivery by chance or due to a third party shall pass to the customer as soon as the delivery leaves our business premises, or upon loading on a means of transport within our premises.
9. If the transfer is delayed for reasons for which the customer is responsible, risk passes, with the notification of the readiness for dispatch, over to the customer.
10. We shall assign damage claims against third parties to the customer upon request.
11. Our services and warranty shall be limited to the coating and do not include the parts of the customer. Claims for replacement of customer part, which have become useless shall be excluded, provided that we have not acted with intent or with gross negligence. For defects of the material provided by the customer, which cannot be detected during the processing without the use of unusual aids and resulting consequential damages, liability shall be excluded, even if we should be regarded as manufacturers in the legal sense.
12. Under no circumstance shall we be liable for the applicability of the coated delivery items within the scope of the intended purpose known or unknown to us. The customer shall be liable for all risks and claims arising from the use of the delivered goods that might occur in all areas of application.
13. In case of justified claims related to the coating, we shall only be liable up to the amount of our calculated price by means of corrections. Any additional claims shall be hereby excluded.
14. Any defects and complaints shall be immediately reported in writing. Obvious and recognizable defects shall only be declared within one week of receipt of the goods, at the latest after acceptance.