

DRAEXLMAIER Group General Terms and Conditions of Purchase for Indirect Goods, Services and Production Equipment

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Any purchase orders for indirect goods, services and production equipment placed by the buyer with a supplier (a "Purchase Order") concurrently with or after the transmittal of this document are subject to the following terms and conditions ("Terms and Conditions Indirect") and shall govern the purchase agreement relating to such Purchase Order (the "Purchase Contract"). The recipient of a Purchase Order is referred to as "Supplier" and Buyer or any of its designated affiliates as "Buyer". Purchase Contract shall mean any contract formed by Supplier's acceptance of Purchase Order or any contract signed by Buyer and Supplier for the purchase of indirect goods, services and production equipment.

1. **BASIS OF AGREEMENT:** Delivery of indirect goods and production equipment (both hereafter referred to as "goods") and/or performance of services at the quality and price levels and time specified in a Purchase Order or otherwise referenced therein are of the essence of any Purchase Contract.

2. **ACCEPTANCE OF PURCHASE ORDER:**

2.1. Unless otherwise specified in a written agreement between the parties, a Purchase Order shall be deemed accepted on the earlier of when Supplier (a) gives written acceptance; (b) makes a delivery of conforming goods within the time specified herein; (c) renders services within the time specified herein; or (d) commences work on goods to be specially manufactured for Buyer.

2.2. Unless a different time frame is specified for a Purchase Order, Supplier shall either accept or reject any Purchase Order by written notice to Buyer within 2 days of the receipt. A Purchase Order which is not expressly rejected within the timeframe set forth in this Section 2.2. shall be deemed accepted.

3. **PREVAILING CONDITIONS:** These, and only these, Terms and Conditions Indirect and, if applicable, any documentation referenced herein, shall exclusively govern any Purchase Contract. Only Buyer's specific written consent will bind it to any terms hereafter transmitted or proposed by Supplier. The general terms herein may be modified and supplemented by the Buyer's documents, such as Purchase Agreement, Service Agreement, Transport of Goods Agreement, Production Equipment Agreement ("Agreements"), which shall be incorporated herein by reference, whereby a conflicting term in the first mentioned document shall prevail over a conflicting term in a later mentioned document, provided, however, such conflict shall not affect the rest of any of the documents (the "Purchase Documentation"):

- (1) individual Purchase Contract;
- (2) Agreements;
- (3) These General Terms and Conditions of Purchase for Indirect Goods, Services and Production Equipment

Any of the Purchase Documentation shall apply if and in the form most recently, prior to a Purchase Contract, communicated to Supplier, provided, however, that the Agreements shall apply in the form executed.

4. **PACKING, MARKING AND DELIVERY:** (a) Unless otherwise specified in the Purchase Documentation, all goods shall, at Supplier's expense, be properly packed, marked and delivered in accordance with the specifications of the Purchase Documentation or, if not specified therein, in accordance with good and accepted practices for ensuring on-time delivery and no damage, so as to secure lowest transportation rates, meet carrier's requirements and ensure arrival at the "ship to" point specified free of damage. Supplier retains responsibility for all goods until delivery at the designated delivery point, regardless of point of inspection; (b) Buyer shall not be liable to Supplier to pay for or return any containers, packing, pallets or other packaging materials; and (c) Supplier shall process shipping documents and route shipment to the delivery point as directed by Buyer. (d) Supplier must provide Buyer with Supplier's declaration which meets the current applicable customs regulations. On request, Supplier shall provide Buyer with an INF.4 (Regulation (EC) No 1207/2001) information sheet approved by the customs authorities for the delivered goods.

5. **TIME OF DELIVERY:**

5.1. Time is of the essence in connection with any Purchase Contract and Supplier is responsible for strict adherence to the scheduled delivery date. Supplier agrees that if delivery is delayed beyond the scheduled delivery date for any reason, Supplier is responsible for all losses, costs and expenses incurred by Buyer occasioned by such delay, including, without limitation, express transportation and delivery charges (including air freight, and weekend delivery charges). Supplier also agrees that upon such delay, Supplier is responsible for any and all incidental, consequential and liquidated damages of Buyer, including, without limitation, overtime wage and related employee benefit costs, incremental operational and work stoppage costs, express transportation and delivery charges (including air freight, weekend delivery charges), and other

costs, expenses, fees, and losses resulting from the inability of Buyer to comply with the terms of an agreement due to the delay.

5.2. Buyer may reject and return at Supplier's expense and risk (i) any delivery of goods (or portion thereof) which is received before the delivery date, (ii) any partial deliveries or (iii) any excessive quantity of goods. The same shall apply to deliveries received after the delivery date, period or sequence. Alternatively, Buyer may accept deliveries in the foregoing cases, provided that the agreed payment terms shall remain unaffected.

6. **INSPECTION AND REJECTION:**

6.1. Supplier agrees that Buyer has the right to inspect and test the goods and workmanship to the extent Buyer deems practicable at any time and place including during manufacture; that Buyer also has the right, notwithstanding prior payment or tests, to notify Supplier that the goods or services tendered either are rejected or require correction or repair thereof; and that Supplier, at its sole expense, will promptly take all steps necessary to accomplish complete conformance with all the terms of a Purchase Contract.

6.2. In case a Purchase Order includes installation or assembly services of the purchased goods, Buyer may request Supplier to perform tests to verify their conformance with provided specifications or intended use prior to final acceptance of goods. Payments made by Buyer shall not constitute acceptance of goods, nor shall the final acceptance constitute Buyer's acknowledgement of latent defects or limit any of the Buyer's rights, including but not limited to, Buyer's rights under section 8. below and/or under applicable product liability law.

6.3. Under no circumstances shall payment for the goods and services constitute acceptance of goods and services or limit any of the Buyer's rights, including, but not limited to, the Buyer's rights under Sections 8 and 14 below.

7. **TITLE AND PAYMENT:**

7.1. Buyer shall obtain free and clear title to the goods and services purchased upon Buyer's acceptance of such goods and services. Title shall be deemed to transfer in the Buyer's principal place of business as shown by the address of the Buyer on the Purchase Order upon delivery. The risk of loss, destruction or damage of goods shall pass to Buyer upon delivery.

7.2. The payment terms shall be sixty (60) calendar days net of timely delivery of goods and or performance of services and receipt of a duly and auditable invoice, unless negotiated otherwise between Buyer and Supplier in Purchase Order or any other Purchase Documentation. Insofar the German law applies to Purchase Order or any other Purchase Documentation and unless negotiated otherwise between Buyer and Supplier, the payment terms shall be thirty (30) calendar days of timely delivery of goods and or performance of services and receipt of a duly and auditable invoice.

8. **WARRANTY:** The Supplier warrants that the goods or services provided (1) comply with the respective Purchase Order, and any specifications, drawings, descriptions or samples furnished to or specified by Buyer; (2) will be state of the art, of satisfactory quality, of good material and workmanship, free from defect; (3) incorporate most recent advances in engineering and technology; (4) will be fit and sufficient for the purposes intended, including, without limitation, able to handle the intended capacity, (5) comply with all laws and regulations (if applicable) and the intended use at the intended location of use, including OSHA if applicable in local jurisdiction; and (6) carry all marks, markings, and certifications required for such use at the intended location of use. In addition, Supplier ensures the supply of spare parts for goods for a period of 15 years after purchase. Supplier is liable and responsible for full reimbursement and compensation of reasonable costs (including fines and damages) associated with defective, deviating, non-conforming product or services. Supplier expressly agrees to defend, indemnify and hold harmless Buyer from and against any and all claims, losses, replacement cost, incidental, special and consequential damages, and settlement expenses resulting from any occurrence within 36 months of the final acceptance, including all litigation costs and attorney's fees, that in turn resulted from, or arose out of, a breach of Supplier's warranties, provided, however, that any Production Equipment shall be warranted, if not specifically otherwise agreed in writing, beyond such 36 month period throughout the intended production cycle. The terms of this Section 8 survive the termination or expiration of any contractual relationship among the parties.

9. **ASSIGNMENT OF PERFORMANCE BY SUPPLIER:** Supplier shall not assign, sub-contract or delegate the performance of its duties without the express prior written consent of Buyer, which may be withheld for any reason and which at no time shall constitute or be deemed to constitute a novation, and

Supplier shall at all times remain liable to Buyer for any assignee's and/or subcontractor's breach of the terms defined in the Purchase Documentation.

10. **PURCHASER'S TERMINATION OPTION:** Buyer, at its option, may terminate a Purchase Contract in whole or in part by written notice to Supplier, upon receipt of which notice Supplier will promptly stop work on the date and to the extent specified in such notice and terminate all orders and/or contracts to the extent the same relate to the terminated Purchase Contract. Supplier, immediately upon receipt of notice of termination of a Purchase Contract, shall advise Buyer of the quantities of materials and work on hand or purchased and received prior to termination and the most favorable disposition Supplier can make thereof. Supplier will comply with Buyer's instructions regarding transfer and disposition of title and possession of such work and goods. Buyer will pay to Supplier the order price for finished work and/or goods accepted by Buyer and the cost to Supplier of work in process and raw materials allocable to the terminated work, subject to any audit Buyer may conduct.

11. **CANCELLATION UPON DEFAULT:** If Supplier (a) fails to deliver goods or perform services at the times specified in the Purchase Documents (or as otherwise expressly agreed by Buyer in writing), (b) fails to perform any of the other provisions of a Purchase Contract and (if capable of remedy) does not cure such default(s) within 10 days after receipt of notice from Buyer specifying such default(s), (c) becomes insolvent, makes an assignment in favor of creditors or enters bankruptcy or dissolution procedures, or (d) is merged into another company and/or is expropriated or nationalized, Buyer, by written notice to Supplier, may cancel all or any part of a Purchase Contract without any liability except for the price as specified in the Purchase Documentation for completed services and completed goods delivered to, and accepted by, Buyer thereunder. With respect to finished, in process or otherwise unfinished work under a Purchase Contract, Buyer reserves the right to take full title and possession, free and clear of any liens, of all or part of such work immediately upon notice to Supplier to that effect, whether or not final price terms have been agreed upon. If after notice of default it is determined that Supplier was not in default, work affected by such termination shall be deemed terminated pursuant to the preceding Section 10, and the rights and obligations of the parties shall be governed by said Section 10.

12. **CHANGES:** Buyer, at any time and by written notice to Supplier, may make changes within the general scope of a Purchase Contract. If any such change causes an increase or decrease in the cost of, or time required for, performance of any part of a Purchase Contract, the order price, delivery time or both shall be equitably adjusted but only if the change was approved by the Buyer's purchasing representative indicated on the respective purchase order.

13. **CONFIDENTIALITY:** Supplier shall keep strictly confidential the terms of any Purchase Contract, the fact that it sells to Buyer, that it has been contacted by Buyer with respect to supplying goods and services to Buyer, and all information exchanged in connection with a potential or actual Purchase Contract that is not readily available to the public. Supplier further agrees not to use Buyer's name in any manner, including but not limited to, advertising or other promotional materials or publications without first obtaining Buyer's advance written consent.

14. **INTELLECTUAL PROPERTY RIGHTS:** Supplier warrants (and represents) that the sale or use of the goods and/or services does not infringe or contribute to the infringement of any patent, copyright, trademark, service mark or other intellectual property of any third party. Supplier hereby defends, indemnifies, and holds harmless Buyer from and against any and every infringement action/claim/suit (actual or threatened) in any country and any and all liability arising there from, including but not limited to attorneys' fees and court costs. All samples, jigs, dies, molds, patterns, special taps, gauges, test equipment, drawings, plans, specifications and any and all materials supplied to Supplier shall remain the property of the Buyer, and Supplier shall keep the same confidential, and shall make no use thereof other than to perform under a Purchase Contract and shall immediately return to Buyer all such materials upon the filling or termination of the respective Purchase Contract.

15. **FORCE MAJEURE:** Any Purchase Contract is subject to modification by Buyer in event of natural disaster, fire, accident, strikes, government acts or other events or conditions beyond Buyer's control.

16. **REMEDIES CUMULATIVE:** The rights and remedies reserved to Buyer in the Purchase Documentation are cumulative and in addition to any other or further rights and remedies available at law or in equity. No waiver of any specific breach or default will constitute a waiver of any other or future breach or default or of any of Buyer's rights.

17. **INSURANCE:**

17.1. Supplier shall maintain insurance coverage at its own cost as reasonably requested by Buyer and in any case in amounts adequate and acceptable to Buyer, in particular to protect against possible risks arising out of goods and/or services or in connection with the Purchase Contract. Supplier shall promptly provide a confirmation of coverage showing the amount of coverage, policy

numbers and date of expiration and shall require the insurance company, broker or agent to give Buyer adequate written notice of any lapse or cancellation of any policy.

17.2. If applicable in certain jurisdictions (e.g. U.S.A., United Kingdom), Buyer shall also be shown as an additional insured on the comprehensive general liability policy reflected on the certificate of insurance if services are to be performed on Buyer's premises.

17.3. Buyer shall have the right to procure such insurance upon agreement with Supplier and Supplier shall reimburse Buyer for all costs and expenses of procuring such insurance

18. **DOCUMENTATION / BUYER' PROPERTY:**

18.1. All documentation, supplies, materials, equipment, tooling, related software and other items (together with any accessions, appurtenances, modifications, repairs, refurbishments and replacements thereof) furnished by Buyer, either directly or indirectly, to Supplier to perform services, or for which Supplier has been paid (other than through piece price amortization) by Buyer ("Buyer's Property"), will be and remain the property of Buyer, and all right, title and interest in Buyer's Property will remain with Buyer, subject only to the limited right of possession granted to Supplier under this Section. Buyer will, at any time, have the right to immediate possession of Buyer's Property, on Buyer's demand.

18.2. Supplier shall treat all Buyer's Property with due care and diligence and constantly keeping it ready for operation. Unless otherwise agreed in writing, the cost for continuing repair, maintenance and readiness of Buyer's Property in immaculate condition shall be borne by Supplier in all aspects.

18.3. Upon Buyer's request, Supplier shall disclose the content of their delivered goods to the Buyer.

19. **GOVERNMENT REGULATIONS / SECURITY:**

19.1. During the performance under a Purchase Contract, Supplier agrees to be in compliance with all applicable federal, state and local laws and regulations, including, but not limited to, applicable environmental protection laws and regulations, equal employment opportunity laws and regulations, the occupational health and safety act, and the fair labor standards act and ensure the same for sub-contractors and suppliers. The Supplier is committed to do business without corrupt practice, shall not reengage in criminal acts and take all necessary measures to avoid the occurrence of such actions. The Supplier shall comply with all applicable anti-bribery laws, included but not limited to, with the UK Bribery Act.

19.2. The Supplier shall be solely responsible for the compliance with all statutory provisions in connection to labor matters, as well as for all matters related to its own personnel and to the employees appointed or hired by Supplier to render the services that are subject matter of a particular Purchase Order placed by Buyer. There shall be no contractual, labor or any other kind of relationship between Buyer and Supplier's personnel or its appointed or hired employees; accordingly, the Supplier shall be solely liable and assumes the obligation to indemnify and hold Buyer harmless from any claims or actions which Supplier's personnel or its appointed or hired employees may file against Buyer.

19.3. Supplier shall take all preventive measures to safeguard Buyer's facilities and shall hold Buyer harmless from any possible damage and/or detriment occurred in connection with occupational accidents of Supplier's personnel and/or its appointed or hired employees.

19.4. The Supplier assumes the obligation to perform all activities related to the respective Purchase Orders with its own equipment and tools and/or with the authorization of its owner for its use. Anytime upon Buyer's request, Supplier must provide an adequate proof of its ownership of equipment and tools used by Supplier during the performance of services on Buyer's premises. Buyer shall not be responsible for any goods and/or materials used by the Supplier for the performance of the services purchased by Buyer.

19.5. Supplier shall obtain and pay for any licenses, permits, and inspections that are required by government authority or agency regarding the subject matter of the Purchase Order.

20. **GOVERNING LAW / JURISDICTION:** The terms of the Purchase Contract, including these Terms and Conditions Indirect, is to be construed according to the laws of the country (state/province if applicable) of the Buyer's principle place of business as shown by the address of the Buyer on the Purchase Order. The ordinary courts at the Buyer's place of business shall have exclusive jurisdiction. The terms and conditions set forth by the United Nations Convention for the International Sale of Goods (CISG) are hereby expressly excluded.

21. **MODIFICATIONS / SEVERABILITY:**

21.1. No modifications, supplements and amendments to these Terms and Conditions Indirect shall be valid or binding, unless expressly agreed upon between Buyer and Supplier in writing.

21.2. If any provision of these Terms and Conditions Indirect is declared or found to be unenforceable or invalid, the validity of the remaining provisions shall not be affected hereby.

22. WITHHOLDING TAX:

22.1. Insofar as a legal regulation requires that a withholding tax and/or any other comparable duties or levies be withheld by the Buyer in connection with the services provided by Supplier (such as delivery of goods, performance of services, licensing of rights), and these must be paid to the state or the government authority, the Buyer shall be entitled to deduct the due amount of withholding tax and/or of any other comparable duties or levies from the agreed remuneration. In such cases, the Buyer shall owe the payment of remuneration less the due amount of withholding tax and/or any other comparable duties or levies.

22.2. In cases where the Buyer has already paid the gross amount of remuneration without deduction of withholding tax and/or of any other comparable duties or levies, the Supplier shall be obligated to reimburse the paid amount of withholding tax and/or any other comparable duties or levies paid in connection with the remuneration to the Buyer and shall indemnify the Buyer hereby against.

22.3. To the extent that the right of collection of withholding tax and/or of any other comparable duties or levies is limited, in whole or in part, by inter-governmental agreements, the Supplier shall immediately submit all documentation (e.g. the tax residency certificate, exemption certificate) which is the necessary prerequisite for any complete or partial exemption from withholding tax to the Buyer.

23. BUYER'S RIGHT TO ACCESS:

The Buyer shall, with twenty four (24) hours prior notice, have access to the Supplier's place of business during normal business hours for the purpose of inspecting the performance of the Supplier under this Agreement. This right to access shall be granted, in particular, to all persons working on behalf of the Buyer who are responsible for progress monitoring of the implementation of audit results, of inspections, or who are responsible for the qualification of the Supplier. In addition, a right of access may include the Buyer's customers and representatives or delegates from public authorities that are required to perform an inspection, however only if accompanied by a representative of the Buyer. Supplier shall ensure that the Buyer has the same access rights regarding the premises of Supplier's sub-suppliers/contractors.