

General Terms and Conditions of Purchase of Peter Kremser GmbH & Co. KG

§ 1 Scope

- (1) For all of our contractual relations to suppliers and other contractors (hereinafter "Suppliers") the following Terms and Conditions of Purchase shall apply exclusively. These Conditions of Purchase shall also especially apply to all services rendered to us. Any general terms and conditions of sale as well as other general terms of the Supplier shall not apply. This also applies to conditions that exceed the scope of these Terms and Conditions of Purchase. Our Terms and Conditions of Purchase shall also apply, if we accept a shipment or performance of the Supplier without objections, knowing deviating conditions of the Supplier.
- (2) All provisions that shall be included in the agreement between us and the Supplier must be agreed in writing.
- (3) These Terms and Conditions of Purchase are intended to apply only to businesses according to § 310 para. 1 German Civil Code (GCC). They do not apply to consumers.
- (4) Our Terms and Conditions of Purchase also apply to all future agreements with the Supplier. We shall be entitled to amend these Terms and Conditions of Purchase for future agreements with the Supplier after a respective notice. The notice shall be made in writing. If the Supplier does not object the amendments stated in the notice, the amended Terms and Conditions of Purchase shall be regarded valid 6 weeks after reception of the notice at the Supplier. We shall expressly refer to this legal consequence in the notice.
- (5) If we have a general framework agreement with the Supplier, these Terms and Conditions of Purchase shall apply both to this general agreement and to every individual purchase agreement as long as the general agreement does not state otherwise.
- (6) In case one provision of these Terms and Conditions of Purchase is or becomes void, this shall not affect the validity of these Conditions or the agreements in general. The void provision shall be replaced by the respective statutory provision. The void provision shall in no case be replaced by a condition of the general terms of the Supplier.

§ 2 Order - Order document

- (1) An order shall only be binding if transferred in writing (also via e-mail). Orally or otherwise transmitted orders shall only be binding if confirmed in writing according to sentence 1. Any inquiry of our side shall have no legal affect and be for information matters only.
- (2) The Supplier must accept our orders within 5 working days after receive of the order.
- (3) By accepting the order the Supplier admits that he instructed himself by reading the relevant order documents regarding the execution and extent of his performance. In cases of obvious errors, mistakes in writing or calculation of our documents etc. these mistakes shall not be binding. The Supplier shall be obliged to bring

such mistakes to our attention so that we can correct our order. This shall apply also to the case of missing documents.

- (4) All property rights and copy rights of pictures, drawings, calculations and other information remains with us. These data shall not be passed on to third parties unless otherwise expressly agreed in writing. This information shall only be used for the production on basis of our order. After completion of the order all information shall be returned to us without any request. All information shall be protected against third parties, also see the provision in § 11.

§ 3 Prices - Bills - Terms of payment - Assignment

- (1) The prices agreed in the respective order shall be binding. All prices shall include the respective VAT. Any additional claims such as taxes, insurance rate or comparables shall be paid by the Supplier.
- (2) If not expressly agreed differently, the price includes a delivery DAP at our address mentioned in the order (Incoterms 2010) and packaging of the goods. In case we bear the costs of shipping due to a deviating expressly written provision, the Supplier shall use the mode of shipment chosen by us, alternatively the cheapest mode. In case we bear the packaging costs due to a deviating expressly written provision, the packaging costs shall be calculated with the cost price, the Supplier shall use the agreed way of packaging and takes care that the goods are protected.
- (3) Bills can only be executed if they – according to our order – show the exact purchase order number and project number. The Supplier shall be responsible for all delays and detriments that can be traced back to a missing purchase order number, if the Supplier can't show that he is incapable. Moreover, the bills need to be consistent with the requirements of the statutory regulations, especially regarding the VAT-law.
- (4) Bills of the Supplier shall be due at the 15th of the months after delivery as long as no of our claims is opposing. In case we pay the bill within 14 days since the delivery of the goods / performance of services and the receipt of the bill (date of receipt at our place is relevant), we shall be entitled to a discount of 3 % of the gross invoice price. The period for granting the discount begins when the bill arrives at our premise. Bills that lack material information according to § 3 para. (3) and/or contain wrong calculations shall be regarded receipt at us when all data is corrected. The period for granting the discount does not start before the maturity date of the invoice.
- (5) If the performance of a work is subject of an agreement, the approval shall take the place of the delivery.
- (6) We reserve any set-off rights, rights of retention and the right of lien in the statutory extent. The Supplier shall only be entitled to any set-off, retention or right of lien in case of undisputed or accepted claims.

- (7) The Supplier shall not be entitled to transfer any rights or claims out of the contracts without our prior written consent. In case the Supplier transfers a claim against us to a third party, we shall be entitled to make payments to the Supplier with performance at the third party.
- (8) For the services rendered to us the Supplier shall not charge for any surcharges for services outside the normal business hours and the weekend.

§ 4 Date of delivery

- (1) The date of delivery and performance noted in the order shall be binding. Each date of delivery means the receipt at our place.
- (2) We shall not be obliged to accept any goods or services before the agreed date of performance. We shall be entitled to send back the goods to the Supplier at his account or to store the goods on the account and risk of the Supplier, if the Supplier performs before the agreed date of performance.
- (3) The Supplier shall be obliged to immediately give notice, when circumstances arise that the delivery or performance date cannot be met.
- (4) If the Supplier delivers the goods or performs the services late due to a reason the Supplier is accountable for, we shall be entitled to a contractual penalty ("*Vertragsstrafe*") in the amount of 0,1 % per calendar day of the contractually agreed price. The contractual penalty is limited to 5 % of the order value (without VAT) as a maximum. Further claims because of the delay remain unaffected. A set-off of the Supplier against a contractual penalty shall only be valid with legally binding or undisputed claims. Insofar we agreed on intermediate deadlines with the Supplier, it shall be clear that the penalty only refers to the contractually agreed final deadline. The delivery date can also be the date of completion in a contract of work and service. The penalty can be subject to juridical review also with regard to the amount.
- (5) Exceeding statutory claims such as withdrawal or damage claims remain unaffected.
- (6) The Supplier shall inform us in written form before conclusion of the contract which obligations from our site are necessary to perform the services and to deliver the goods. The Supplier shall especially highlight all obligations for us that are necessary for timely performance.

§ 5 Passing of the risk - documents

- (1) The delivery shall be DAP at our address mentioned in the order (Incoterms 2010) if not agreed otherwise in writing.
- (2) The risk shall pass on to us at the arrival of the delivery at our place respectively the place named by us, even if delivery ex work or delivery on our costs is agreed upon.
- (3) The delivery of made-to-order parts shall contain the following documents: master drawings, specifications of the order, object lists, inspection reports and technical documentation for the proof of the conformity with all applicable CE-directives and CE-requirements. If one or more of the

renamed documents is missing, the delivery shall be seen as not complete. In case of multiple deliveries of same objects, copies shall be attached to each delivery.

- (4) The Supplier shall be obliged to print to all shipping documents and delivery notes our order number, our order position, the list of objects, the identity number, our job number, the project number and article number. In case the Supplier leaves out this information, all delays at the handling are not of our fault.

§ 6 Inspection for defects - warranty - product liability - quality assurance

- (1) We shall be obliged to inspect all incoming goods for quality defects or deviances in number in a reasonable time period. The objection shall be in time if the objection is received by the Supplier within 7 calendar days, beginning with the delivery of the goods or – in case of hidden defects – beginning with the discovery.
- (2) All goods delivered shall be free of defects, in line with the specification transferred by us, developed and produced with the best demonstrated available technology, usable for the contractually assumed way of use and in line with all statutory or administrative requirements of the Federal Republic of Germany. In case we have informed the Supplier that the goods shall be used in other countries, the Supplier shall comply with all relevant regulations of these other countries.
- (3) We shall be entitled to the statutory claims regarding product liability. In any case we shall be entitled to claim at our discretion the rectification of a defect or the delivery of a new object. The right to claim compensation, especially compensation in place of delivery, shall be reserved.
- (4) We shall be entitled to rectify defects on ourselves but at costs of the Supplier in cases of immediate danger or other reasons of special urgency.
- (5) The limitation period for defects and defects of title shall be 3 years. The period begins with the handover of the goods respectively with the approval of the performance/goods by us. The limitation period for the installation of software and the issuing of opinions shall be 4 years. In this case the period begins with the end of the year during which the delivery/handover took place. The limitation period for spare parts that were delivered at the same time as the main part and that are called spare parts in the individual agreement shall begin with the installation of the spare parts in case of correct storage. In case of rectified or new delivered parts of the Supplier the limitation period shall begin with the end of the rectification respectively the new delivery.
- (6) The Supplier shall be obliged to assure the quality by performing adequate examinations and inspections, especially of outgoing goods. These checks and examinations shall be documented. We shall be entitled to examine the way of the quality management by onsite inspections, if applicable also at sub-Suppliers. Furthermore,

we expressly reserve our right to agree upon a quality insurance agreement with the Supplier.

§ 7 Product liability - indemnity - indemnity insurance

- (1) If the Supplier is responsible for a defect of a product or other damage, the Supplier shall be obliged to hold us harmless from the damage claims of third parties on first request, insofar as the cause for the damage claim was set in his domain and he is also liable in regard to third parties.
- (2) Within his liability for cases of damages according to para. 1 of this clause, the Supplier shall be obliged to also compensate expenditures according to §§ 683, 670 GCC as well as §§ 830, 840, 426 GCC. The duty to compensate expenditures shall include all expenditures related to a product recall performed by us. We shall inform the Supplier about the extent and subject of the product recall as far as it is just and reasonable. The Supplier shall have the opportunity to make representations. Statutory claims remain unaffected.
- (3) The Supplier shall be obliged to provide a (product) liability insurance in the amount of EUR 5 Mio. per case of damage (person / loss of property). The Supplier shall prove the existence of the insurance at our demand. In case of exceeding claims for damages, the claims are not limited by the extent of the insurance.
- (4) Insofar we should have recognized the defect caused by the Supplier and/or should have performed a damage minimizing measure, we shall only be held liable in relation to the Supplier for intent and gross negligence of our institutions, employees and assistants.
- (5) The Supplier shall waive any claim for recourse against us in relation to product liability or manufacturer liability. This waiver does not apply to intent or gross negligence or negligent breach of main contractual duties by us as well as attended or negligent damages of life, body or health by us.

§ 8 Intellectual Property Rights

- (1) The Supplier shall guarantee that no industrial property rights or copyrights are infringed in connection to his delivery. This shall apply especially regarding the development of software for us.
- (2) In case we are hold responsible by a third party due to a violation of rights according to para. 1 of this clause, the Supplier shall be obliged to hold us harmless for all costs and expenses rising to us upon first request.
- (3) The Suppliers obligation to indemnify us shall cover all kinds of expenses that are related or connected to the claims of the third party.
- (4) The limitation period for these claims shall be ten years from the date of the individual agreement.

§ 9 Reserved Property of the Supplier

- (1) In case the supplied goods are – according to their nature or the way of use – sold rapidly, a reservation of title of the Supplier shall be

excluded. The unlimited property rights shall pass to us at the delivery of the goods at our company site or at the site of delivery.

- (2) The current account retention ("*Kontokorrentvorbehalt*") as well as the extended retention of title of the Supplier regarding delivered goods shall be excluded. All deferring clauses at general terms and conditions, order confirmations, delivery bills and bills of the Supplier shall have no effect even if we not object them in any particular case.

§ 10 Provisions - Tools

- (1) In case we provide tools to the Supplier, all property rights shall remain with us. Any manufacturing process or alteration of the Supplier shall be performed in our name. If the conditional goods are manufactured in line with third party goods, we shall be granted property title of the newly manufactured goods in relation of the value of our goods (purchase price + VAT) to the third party manufactured goods at the time of manufacturing.
- (2) In case our conditional goods are mixed with third party goods inseparably, we shall be granted joint ownership rights of the newly mixed goods in relation of the value of our conditional goods (purchase price + VAT) to the third party goods at the time of mixture. Does the mixture takes place in a way that the goods of the Supplier are regarded as prevailing, it shall be agreed that the Supplier transfers joint ownership rights in relation of the value of the conditional goods. The Supplier administrates the joint property rights for us.
- (3) To the extent to which the security according to para. 1 and/or 2 exceeds the purchase price of all of our unpaid conditional goods more than 10 %, we shall release our security rights upon request of the Supplier.
- (4) We reserve our property rights for tools provided by us. The Supplier shall be obliged to use provided tools for the production of our ordered goods only. The Supplier shall mark our tools as our property. The Supplier shall be obliged to insure at his own costs all of our provided tools against damages due to fire, water and theft at original price. The Supplier transfers all claims for compensation against the insurance company to us. We accept this transfer of rights. The Supplier shall be obliged to perform all maintenance and inspections of the provided tools as well as all maintenance and repair at own costs. Any incident shall be reported to us. In case the report was left out due to the fault of the Supplier, we reserve any claim for damages.

§ 11 Secrecy

- (1) The Supplier shall keep all transmitted illustrations, drawings, calculations and any other documentation and information strictly confidential. This information may only be disclosed to third parties with our written express consent. The obligation of secrecy shall also apply after the individual agreement has been processed. The obligation of secrecy shall not

apply to transmitted illustrations, drawings, calculations and other documentation that is publicly known at the time of transmission. In case these documents and information become public domain, the obligation of secrecy terminates at that time. The obligation of secrecy shall also be dispensed if the documentation/information becomes known to the Supplier by a third party in a legal and consented way or if the Supplier is requested to open the documentation/information by administrative / court order.

The Supplier shall have the right to disclose confidential information to third parties in case the involvement of the third parties is necessary for the performance of the relevant delivery. In this case the Supplier shall bind the third parties to treat every information confidential in a written agreement. This written agreement shall be disclosed to us on first request.

- (2) The Supplier shall pay a contractual penalty ("*Vertragsstrafe*") for any breach of the obligation of secrecy. The amount of the penalty shall be assessed by us. The Supplier and/or we are entitled to request the competent court to review the amount of the penalty.

§ 12 Software and Development

- (1) If the Supplier shall provide standard software or other development services for us, the Supplier shall provide us with all respective documentation and with all documents that are necessary for the use of the software or the development results in written and electric form. The Supplier shall provide standard software and developments for us according to the intended use. The Supplier shall grant to us a non exclusive, regionally, temporally and textually unlimited right to use. We shall have the right to test the software and other developments at our place on our systems for acceptance of the services of the Supplier. Further the Supplier shall provide us with a Supplier manual regarding the software or the development results. If the Supplier develops individual software for us and/or other programming work individually for us the Supplier shall furthermore disclose the source code and shall submit the source code in electric form (e. g. CD-ROM or USB-Stick). There shall be no separate compensation for the above mentioned services in this section. The Supplier shall inform us before entering into the contract in case the Supplier provides standard-software but not individually developed software for us.
- (2) If the Supplier shall deliver individual software for us and/or other individual programming work the Supplier shall further grant us an unlimited, irrevocable, exclusive, worldwide right to use the software or other development results with the right to grant sublicenses.

§ 13 Transfer of rights

- (5) Any right or duty out of the contractual relationship shall be only transferable to third parties with our express written consent.

§ 14 Applicable Law - Place of Jurisdiction - Place of Performance

- (1) This contractual relationship shall be governed exclusively by German law. The provisions of the United Nations convention on contracts for the International Sale of Goods (CISG) shall be excluded. This shall also apply, if the Supplier is of foreign origin or the delivery was performed from abroad.
- (2) Exclusive place of jurisdiction shall be Hamburg, Germany, if the Supplier is a merchant. However, we reserve the right to assert our claims at any other valid place of jurisdiction.
- (3) Unless otherwise agreed at the order, the place of performance for the delivery shall be our domicile.

Date: February 2015