

GENERAL CONDITIONS OF PURCHASE
(of BÖGRA Technologie GmbH)

1. Scope

The following conditions of purchase apply to all contracts for deliveries and services entered into by us and natural or legal persons insofar as these are not consumers within the meaning of Section 13 BGB¹.

2. Acknowledgement of the conditions of purchase

The following conditions of purchase as stated in their respective, valid version apply to all deliveries and services that we commission. Our conditions of purchase apply exclusively. Conditions of the Supplier to the contrary or such that vary from our conditions shall not be acknowledged.

Our conditions of purchase also apply to all future business transactions entered into with the Supplier.

3. Orders

Our orders shall only be binding if placed in writing by us. Orders placed by telephone or e-mail shall only be valid if they are made by way of stating a purchasing number and are subsequently confirmed by us in writing. Any expansion of or amendment to our orders shall be subject to written confirmation in order to be deemed valid.

4. Prices/payment conditions

In the absence of agreements to the contrary, the agreed prices are fixed prices and binding. This also applies to the skeleton or call-off orders. The statutory value added tax is included in the price if not expressly stated to the contrary.

Invoices are to be sent to us by the Supplier in triplicate.

In the absence of a written agreement to the contrary, we shall pay within 14 days, calculated from delivery and receipt of invoice, subject to a 3 % trade discount, or in full within 30 days following receipt of invoice.

¹ German Civil Code

5. Delivery, default in delivery

Agreed dates and delivery periods are binding. Receipt of the goods at the agreed receiving agency is authoritative in that respect. If the delivery is not received on the due date or not in full at the agreed receiving agency, we shall be entitled, following expiry in vain of an additional period of reasonable length set for the Supplier, to withdraw from the contract and claim for damages regarding non-performance or reimbursement of our expenses incurred in vain. We shall be entitled to such rights without setting an additional period too if the Supplier's performance can no longer be incorporated in our production process, or cannot be incorporated without unacceptable delay or additional cost, or if the Supplier's performance is otherwise unacceptable.

If the Supplier overruns the agreed dates and delivery periods, it shall automatically be deemed to have defaulted without further warning on our part.

In the event of default in delivery, we shall be entitled to charge a flat-rate penalty for damage caused by default in the sum of 2 % of the delivery value for each week that lapses in which the delay continues, at most, however, not more than 10 % of the order value. This does not affect further-reaching statutory claims. The Supplier is entitled to furnish us with proof that no damage or lesser damage was caused as a result of the delay. The flat-rate shall then be reduced accordingly.

We are entitled to reject partial deliveries. Provided that not otherwise agreed, deliveries are "free domicile".

6. Passing of risk

In the absence of agreements to the contrary, the risk of accidental loss and accidental damage, in particular loss of or damage to the goods en route, shall only pass to us upon the hand-over of the delivery item at our incoming goods department.

7. Guarantee

The Supplier guarantees that its deliveries and services do not contain any defects in title or material defects. A defect shall be deemed given if the delivery item does not correspond, upon the passing of risk, with the agreed technical data, the intended use as per agreement or the customary use, the acknowledged technological standards and the valid, statutory and official provisions, in particular licensing requirements, health and safety regulations and

accident prevention requirements. Perfect quality and exact measurements must be reviewed by the Supplier by way of careful final checks.

We are entitled to the statutory warranty claims without restrictions. We are entitled, irrespective of this, at our discretion, to request that the Supplier rectify a defect or supply a new item. In such a case, the Supplier is to carry the expenses required to rectify a defect or supply a new item, in particular including possible reviewing and sorting costs. We reserve the right to claim for damages.

The Supplier waives, for the period of twelve months from expiry of the warranty obligation, pleading the statute of limitations in respect of asserting warranty claims.

In the case of goods we receive we shall accept these on condition of a review regarding perfect quality, complete quantities and suitability. We are entitled to inspect the goods insofar as and as soon as this is expedient in accordance with proper business activities. We are to be provided with notification of defects without delay. The Supplier waives, insofar, objecting to delayed notification of defects. Section 377 HGB² does not apply.

8. Prohibition on assignment

Claims against us resulting from the contracts that have been entered into may only be assigned following our written approval. This applies, in particular, to payment claims against us.

9. Patent and licensing rights,

The Supplier assures that the delivery or use of the supplied items shall not give rise to the violation of third-party rights, in particular industrial property rights.

The Supplier renders us and our customers at the first request free of all third-party claims regarding the violation of such rights.

² German Commercial Code

10. Reservation of title

We acknowledge our Supplier's basic reservation of title. Assignments that occur as a result of extended reservation of title and assertion of the reservation of title beyond the specific individual order shall not be acknowledged.

Insofar as we provide parts to the supplier, we reserve ownership of such parts. Processing or conversion by the supplier shall occur on our behalf. In the event of processing or mixing, we shall acquire co-ownership of the new item in the proportion of the value of our item to that of the other processed items at the time of processing.

11. Samples, drawings, models, dies and plates

We only supply samples, drawings, models, dies and plates on a loan basis. We retain all ownership and property rights. Once enquiries or orders have been dealt with, samples, drawings, models, dies and plates are to be returned to us without an express request in that respect. These parts may not be made available or shown to third-parties.

Goods that are produced using the above parts that we have made available to the Supplier may only be supplied to us, and may only be shown to third-parties following our express approval. This also applies if the Supplier has procured tools, models or other items at its own cost for the manufacture of the goods.

12. Conflict minerals

The Supplier acknowledges that the products supplied to Bögra Technologie GmbH must be free of conflict minerals according to the Dodd-Frank Wall Street Reform and Consumer Protection Act of SEC. 'Conflict minerals' are defined as tin, gold, tantalum and wolfram and their derivatives used for financing the conflict in the Democratic Republic of the Congo or one of the neighbouring countries.

13. Manufacturer's liability

If a claim resulting from product liability is lodged against us regarding an error in the item supplied by the Supplier, the Supplier is to render us exempt at the first request from the resulting manufacturer's liability. The Supplier commits to conclude a product liability insurance as well as a recall insurance with a blanket minimum coverage of EUR 2,000,000.00 and provide proof upon request. Our possible claims for damages shall not be limited to this amount.

14. Place of performance / place of jurisdiction

Solingen is deemed the place of performance for our payments. Likewise, the location of our main headquarters in Solingen, Germany, is deemed the place of jurisdiction for all disputes between the parties resulting from the contractual relationship. However, we are entitled to bring an action against the Supplier at the court with jurisdiction for its place of residence and/or principal place of business.

15. Applicable law

Solely the law of the Federal Republic of Germany applies to the mutual obligations resulting from the contract by way of exclusion of the UN Convention on Contracts for the International Sale of Goods.

Status: March 2015