

General Terms and Conditions of Sale and Delivery

of Saint Gobain Performance Plastics Pampus GmbH

As of: July 2013

§ 1 Scope of Application

(1) All sales and deliveries by Gobain Performance Plastics Pampus GmbH, Am Nordkanal 37, 47 877 Willich ("**Seller**") to any entrepreneur as defined by section 14 German Civil Code [*BGB*], any legal entity under public law or any fund under public law ("**Buyer**") (collectively "**the Parties**") shall be governed exclusively by the Seller's General Terms and Conditions of Sale and Delivery ("**General Terms and Conditions of Sale and Delivery**").

(2) Whether or not these General Terms and Conditions of Sale and Delivery are expressly agreed upon again, they shall apply also to all future sales and deliveries by the Seller to the Buyer. The version current at the time the contract is concluded shall apply in each case. The current version as amended is provided on the Internet www.saint-gobain-bearing.com.

(3) The Seller shall not accept any terms or conditions of the Buyer that conflict with or deviate from these General Terms and Conditions of Sale and Delivery, unless the Seller has expressly consented to their application. These General Terms and Conditions of Sale and Delivery shall apply even if the Seller unconditionally carries out an order knowing of terms and conditions of the Buyer conflicting with or deviating from these General Terms and Conditions of Sale and Delivery.

§ 2 Quotations, Conclusion of the Contract, Other Declarations

(1) The Seller's quotations shall always be subject to change without notice. A contract shall come into being, if the Seller accepts an offer from the Buyer by acknowledging the Buyer's order in writing (including email) or by carrying out the Buyer's order. The Buyer shall be bound by its purchase order for 14 days.

(2) Verbal commitments made by any representatives or other assistants of the Seller shall be binding only if and in so far as the Seller has confirmed the same in writing.

(3) All legally relevant declarations and notifications required to be made by the Buyer to the Seller or any third party must be in writing.

(4) All standards, dimensions, tolerances and other (quality) requirements, which are not explicitly stated in a purchase order and confirmed in writing by the Seller, shall be based on the Seller's standards.

§ 3 Performance by Third Parties

The Seller hereby reserves the right to appoint third parties to render services owed under the contract. The Buyer's rights against the Seller shall remain unaffected hereby.

§ 4 The Seller's Right of Rescission

(1) If the Seller itself is not supplied, not supplied correctly or not supplied in due time by its suppliers, the Seller shall be entitled to rescind the contract.

(2) Furthermore, the Seller shall be entitled to rescind the contract, if the Buyer has filed a petition for the institution of insolvency proceedings concerning its assets or has executed an affirmation in lieu of an oath in accordance with section 807 Code of Civil Procedure (*ZPO*), or if insolvency proceedings concerning its assets have been instituted or the institution of such proceedings has been dismissed owing to a lack of assets.

(3) The Seller's other rights of rescission shall remain unaffected.

§ 5 Delivery

(1) Except where otherwise agreed upon, deliveries shall take place "ex works" Willich (Incoterms 2010).

(2) The delivery period agreed upon in the contract shall apply. In so far as the Buyer is subject to a duty to co-operate, the delivery period shall not begin to run before the buyer has fulfilled such a duty.

(3) If delivery is temporarily delayed owing to force majeure or any other events unforeseeable at the time of the conclusion of the contract (operational disruptions of any kind, even if occurring at third parties appointed by the Seller or at their contractors; bottlenecks in the supply of material; etc.), the delivery period shall be extended accordingly. If such events lead to delivery being deferred by more than four months, both Parties shall be entitled to rescind the contract in respect of the scope of the services concerned. No other claims shall exist.

(4) Reasonable partial delivery as well as reasonable variation of order quantities up to plus/minus 10% shall be deemed acceptable.

(5) The Buyer may assign its claims arising from the contractual relationship only with the Seller's prior consent.

(6) In the event that the Seller voluntarily takes back the goods they have delivered then the Seller shall have the right to full compensation of the expenses incurred as a result of the conclusion of the contract, such as transportation and assembly costs and a lump sum for lost profit in the sum of 10% of the agreed purchase price, so long as the Buyer does not prove that any damage has occurred at all or not in the amount of the lump sum.

§ 6 Export Control Law

(1) The Buyer hereby undertakes to refrain from carrying out under any circumstances any of the following transactions:

- transactions with persons, organisations or institutions listed on the sanctions list under EC Regulations or US export provisions;
- transactions with UN/EC-embargo states prohibited;
- transactions for which an essential permit is lacking.

The Buyer shall be liable for all expenditure and loss incurred by the Seller as a result of any violation.

(2) The Seller's contractual obligations shall cease to apply, if and in so far as national or international foreign trade legislation and/or embargos and/or other sanctions conflict therewith.

§ 7 Prices and Payment Terms

(1) Except where otherwise agreed upon, prices for deliveries shall apply "ex works" Willich (Incoterms 2010). In particular, such prices shall not include costs for packaging, shipping or transportation.

(2) All prices shall be subject to the addition of value-added tax at the rate prescribed by law at the time the invoice is issued.

(3) The Seller shall be entitled to invoice separately for any permissible sub-deliveries.

(4) The Seller hereby reserves the right to alter its prices accordingly, if costs fall or rise after the conclusion of the contract, particularly as a result of collective bargaining agreements or changes in the price of materials. The Seller shall prove such reductions or increases in costs, if the Buyer so requests.

(5) The amounts invoiced shall be paid within 30 days of the invoice date. If payment is made within 14 days of the invoice date, the Buyer shall be entitled to deduct a 2 % cash discount. Timely payment shall be determined by the receipt of payment on our bank account.

Amounts invoiced for repairs and other services shall be paid, without any deduction, within 30 days of the invoice date. Invoice amounts for new tools produced or changes to tools are due immediately after acceptance, at the latest 2 months after invoice issue.

(6) Payments shall only be accepted via bank transfer; exceptions shall be agreed on an individual basis.

(7) Payments shall always be credited against the oldest invoice. If charges and interest have already been incurred, payments shall first be credited against charges, then against interest and finally against the principal claims.

(8) The Buyer shall have a right of set-off only if and in so far as its counterclaims are undisputed or have been determined by a final and non-appealable court judgement. The Buyer shall have a right of retention only if and in so far as its counterclaims are based on the same contractual relationship and are undisputed or have been determined by a final and non-appealable court judgement.

§ 8 Pallets, Packaging

(1) In so far as the Seller delivers the goods on returnable pallets, the Buyer shall return, in exchange on a concurrent basis, the same number of returnable pallets of the same kind and in similar condition. If no proper exchange occurs, the Buyer shall pay the following additional charges: 10.00 EUR plus value-added tax for every (EUR) flat pallet and 75.00 EUR plus value-added tax for every (EUR) wire mesh crate.

(2) To keep the selling prices as stable as possible, costs in connection with the recovery and recycling of used packaging are not yet included in the delivery prices. Therefore, the Buyer shall recycle all used packaging independently and on its own account in accordance with the statutory and official requirements. The Buyer shall not be permitted, in this respect, to levy charges or reduce the amounts invoiced.

§ 9 Retention of Title

(1) The Seller shall retain title to the goods delivered until all present and future claims arising from the business relationship with the Buyer have been paid in full ("**Goods under Retention of Title**"). In the case of a running account, the property under retention of title shall serve to secure the balance claim.

(2) The Buyer shall treat all Goods under Retention of Title with care and shall adequately insure the same against fire damage, water damage and theft on a replacement value basis at its own expense. In so far as servicing and inspection work is necessary, the Buyer shall carry out such work in due time at its own expense.

(3) The Buyer shall be entitled to on-sell Goods under Retention of Title in the ordinary course of its business. However, the Buyer hereby assigns to the Seller all claims accruing to it from or in connection with on-selling against its customers or third parties (including all security and all ancillary rights) up to the sum of the final invoiced amount of the Seller's claims (including value-added tax), regardless of whether the item purchased is on-sold without having been processed or after having been processed. The Buyer shall, even after this assignment of claims, remain authorised to collect such claims. The Seller's right to collect such claims itself shall remain unaffected hereby. However, the Seller undertakes not to make use of this right as long as the Buyer meets its payments out of the proceeds received and has not defaulted on payment, particularly as long as no petition for the institution of insolvency proceedings has been filed and no payments have been suspended. In such cases, the Buyer shall inform the Seller of the claims assigned and the debtors concerned, provide all information necessary for collecting the claims, hand over all relevant documents and give the debtors (third parties) notification of this assignment.

(4) The Buyer shall not be entitled to pledge Goods under Retention of Title assign the same as security or encumber the same with any other third-party rights. The Buyer shall, without undue delay, inform the Seller of all third-party compulsory execution measures concerning Goods under Retention of Title and hand over all documents necessary for any intervention. This shall apply also to impairments of any kind. Notwithstanding the foregoing, the Buyer shall point out to the third parties in advance all rights existing in respect of the Goods under Retention of Title. In so far as the third party is unable to reimburse the costs in connection with any intervention by the Seller, the Buyer shall bear such costs.

(5) Any processing or remodelling of Goods under Retention of Title by the Buyer shall always be deemed to have been carried out on the Seller's behalf. If any Goods under Retention of Title are processed together with other items not belonging to the Seller, the Seller shall acquire joint title to the new item in the ratio of the value of the Goods under Retention of Title (final amount invoiced, including value-added tax) in relation to the other processed items at the time of processing. Moreover, the terms and conditions applicable to Goods under Retention of Title shall apply equally to the item created as a result of processing.

(6) If any Goods under Retention of Title are inseparably mixed with other items not belonging to the Seller, the Seller shall acquire joint title to the new item in the ratio of the value of the Goods under Retention of Title (final amount invoiced, including value-added tax) in relation to the other mixed items at the time of mixing. If such mixing occurs in such a manner that the Buyer's item is to be regarded as the main item, it shall be deemed agreed that the Buyer shall transfer joint title to the Seller on a pro-rata basis. The Buyer shall hold in safekeeping for the Seller the sole or joint property thus created.

(7) As security for the Seller's claims against the Buyer, the Buyer hereby also assigns to the Seller all claims accruing to the Buyer against a third party as a result of Goods under Retention of Title having been connected to any plot of land.

(8) If the Seller is entitled to reclaim possession of Goods under Retention of Title, the Buyer shall bear the cost of such repossession. The Seller shall be authorised to realise such repossessed Goods under Retention of Title on the open market for the best possible price and credit the proceeds, less any appropriate costs in connection with such realisation, against the amounts owed by the Buyer.

(9) If the realisable value of the security exceeds the Seller's claims against the Buyer by more than 10 %, the Seller shall, if the Buyer so requests, release such security to a corresponding extent. The Seller hereby reserves the right to choose the security to be released.

(10) If, in the case of deliveries abroad, this retention of title cannot be agreed upon with the same effect as under German law, yet it is permissible to reserve other rights in the item delivered, the Seller shall be entitled to such rights. The Buyer shall co-operate therewith in every respect.

§ 10 Moulds

(1) The moulds required for manufacturing the goods shall remain the Seller's intellectual and in-rem property. This shall apply even if the Buyer has agreed to bear the cost of manufacturing such moulds. The Seller hereby reserves all copyrights, other property rights and rights of use.

(2) In so far as the Buyer has agreed to bear the cost of manufacturing such moulds, such moulds shall be retained for two years from the day of the last delivery. Goods ordered by the Buyer shall be manufactured by the Seller with the aid of such moulds only if this has been expressly agreed upon.

§ 11 The Seller's Documents

The Seller shall retain any and all rights of title, copyrights and industrial property rights in respect of illustrations, drawings, samples and other documents ("**Documents**"). This shall apply also to Documents not expressly designated as "confidential". The Buyer shall pass on such Documents to third parties only with the Seller's prior express written consent.

§ 12 Default in Taking Delivery

If the Buyer fails to accept the goods within a set grace period or refuses to take delivery of the goods, the Seller shall be entitled, without prejudice to any other rights, to rescind the contract and claim damages in lieu of performance. The damages in lieu of performance shall be a liquidated amount equal to 15 % of the purchase price excluding deductions, unless the Buyer proves that no loss at all was incurred or that the loss incurred was lower than such liquidated damages. The Seller hereby reserves the right to prove a higher loss.

§ 13 Warranty for Defects

(1) The qualities of the goods to be delivered, including their usability for any specific purpose, shall ensue exclusively from the corresponding agreements made between the Parties. Deviations in dimensions and/or weight within the tolerance range customary in the trade shall not constitute a defect. Samples and specimens made available to the Buyer by the Seller shall serve only to approximately describe the goods. No illustrations in catalogues or prospectuses of the Seller shall be binding for execution. The Seller hereby reserves the right to make technical and/or design changes to the goods, in so far as such changes are customary in the trade, do not unreasonably impair the Buyer and do not impair the usability of the goods for the agreed purpose.

(2) The Buyer shall give the Seller written notification of any and all obvious defects without undue delay, however no later than within 5 days of delivery. If the Buyer fails to give notification in due time and form, the delivery shall be deemed approved, unless the Seller has fraudulently concealed the defect. Moreover, section 377 German Commercial Code (*HGB*) shall apply.

(3) In case of supplementary performance, the Seller hereby reserves the right to choose between eliminating any defect and delivering an item free from defects. This shall not apply in the event of supplier recourse under sections 478 and 479 German Civil Code (*BGB*).

(4) The warranty period shall be one year. The statutory time-bar periods in cases of fraudulent concealment, in cases where an item used for a building commensurately with its customary use has caused such a building to become defective and in cases of supplier recourse under sections 478 and 479 German Civil Code (*BGB*) shall remain unaffected.

(5) The Seller shall not assume any guarantees in the legal sense, unless expressly agreed upon.

(6) Damage claims based on any defect not already deemed approved under § 13 (2) shall be governed by § 14.

§ 14 Liability for Damages

(1) The Seller's liability for loss shall be limited to wrongful intent and gross negligence. This shall not apply to liability based on any defect fraudulently concealed, based on injury to life, body or health, based on breach of material contractual duties or based on the Product Liability Act (*Produkthaftungsgesetz*). Material contractual duties in this sense are duties ensuing from the nature of the contract and whose breach would jeopardise the attainment of the purpose of the contract.

(2) Regardless of the form of fault, the Seller's liability shall be limited to compensation for any foreseeable loss typical of this type of contract. This shall not apply to liability based on any defect fraudulently concealed, injury to life, body or health or the Product Liability Act (*Produkthaftungsgesetz*).

(3) If the Seller enters into default owing to ordinary negligence, its liability for default-related loss shall be additionally limited to a maximum of 5 % of the agreed price.

(4) The time-bar period for the Buyer's damage claims shall be one year, unless such claims are based on any defect fraudulently concealed, any defect in an item that has been used for a building commensurately with its customary use and has caused such a building to become defective, any injury to life, body or health, wrongful intent or gross negligence or the Product Liability Act (*Produkthaftungsgesetz*). The statutory time-bar period shall apply in such cases.

(5) All limitations of the Seller's liability shall apply equally to any breaches of duty on the part of the Seller's authorised agents.

(6) The personal liability of representatives, authorised agents and workforce members of the Seller for any loss caused by them shall be limited to the same extent.

§ 15 Applicable Law, Place of Performance, Place of Jurisdiction

(1) The laws of the Federal Republic of Germany, excluding the UN sales law (CISG), shall apply.

(2) The place where the Seller's registered office is situated shall be the place of performance.

(3) The place where the Seller's registered office is situated shall be the place of jurisdiction. However, the Seller hereby reserves the right to bring an action against the Buyer at the Buyer's place of general jurisdiction.