

General Terms and Conditions of Purchase and Delivery of Geo. Gleistein und Sohn GmbH Status 1st December 2015

I. Field of Application

The following Terms and Conditions of Purchase shall apply for all contracts with companies (referred to in the following as "Supplier") that deliver goods to us, Geo. Gleistein & Sohn GmbH, and to affiliated companies (referred to in the following as "GLEISTEIN"). The present Terms and Conditions of Purchase shall be incorporated into all future contracts between the Parties, even if this fact is not explicitly mentioned again. The general terms and conditions of the Supplier shall not be an integral part of the contract, where the terms thereof provide for conflicting rulings or provisions that differ from the sense and purpose of the present Terms and Conditions of Purchase. This shall also apply if GLEISTEIN takes unconditional receipt of the deliveries in awareness of the Supplier's general terms and conditions.

II. Delivery

On principle Suppliers shall not be entitled to effect excess or short deliveries, unless the following groups of articles are delivered:

- Excess or short deliveries shall only be accepted up to $-/+5\%$ for articles ordered in kilograms
- Excess or short deliveries shall only be accepted for articles measured in length (e.g. meters), such as the following:
 - Spooled goods and standard lengths -2% to $+2\%$ at standard tension (DIN EN ISO 2307:2005)
 - Different single lengths -0% to $+2\%$ at standard tension (DIN EN ISO 2307:2005)

Excess deliveries shall be returned at the expense of the Supplier or shall be deemed as part of a delivery that is free of charge, depending on the choice of Gleistein.

III. Default in Delivery

1. In the case of unpunctual delivery, a penalty of 2% of the price of the goods to be delivered shall be due for payment for each calendar day of default on the delivery date, yet at most 20% of the price of the goods. The same shall also apply in the event that on the grounds of individual agreements, the Supplier has been allowed to effect delivery in instalments and the instalment is not of any business interest for GLEISTEIN. If an instalment of the Supplier is of interest to GLEISTEIN, the penalty shall only relate to that part of the consignment that was not delivered and to the price of the undelivered part of the consignment.
2. The penalty shall not be offset against damages to be compensated by the Supplier for the default.
3. Farther-reaching rights of GLEISTEIN (particular cancellation of contract and compensation for damages) shall not be affected by the penalty. Acceptance of delayed delivery shall not restrict the assertion of farther-reaching rights.

IV. Due Date

The Supplier's claims to payment shall be due at the earliest thirty (30) days after receipt of a proper invoice that satisfies the respectively valid requirements of the law and does not endanger the deduction of pre-tax on the part of GLEISTEIN.

V. Notification of Defects, Guarantee

1. GLEISTEIN shall be deemed to have fulfilled its responsibility of immediately examining the goods and lodging complaint for obvious defects in quality (Section 377 HGB – German Commercial Code) providing it has completed these duties inside fifteen (15) workdays after handover.
2. The statute of limitations for the claims to defects as defined in Section 438 (3) BGB [German Civil Code] shall be lengthened to three (3) years.

VI. Retention of Title

1. GLEISTEIN shall not accept any retention of title on the part of the Supplier. This shall also apply if GLEISTEIN unconditionally accepts deliveries in awareness of the declared retention of title of the Supplier. The same shall apply appropriately for any extended and lengthened retention of title.
2. The Supplier shall ensure that any simple, extended or lengthened retention of title validly arranged between itself and third parties shall not affect the contractual relations between the Supplier and GLEISTEIN.

VII. Industrial Property Rights

1. The Supplier shall guarantee that no third-party claims or rights exist, particular those derived from ownership or from industrial property rights, in respect of the delivered goods that can have a detrimental effect on the free use of the goods by GLEISTEIN.
2. Should claims be lodged against GLEISTEIN in this respect, the Supplier undertakes to release and hold GLEISTEIN harmless from them. The duty of the Supplier to release and hold GLEISTEIN harmless shall relate to all expenditure that GLEISTEIN has or might well have to incur automatically in connection with the third-party claims filed against it.

VIII. Non-disclosure

1. The Supplier undertakes to treat all confidential contractual contents and all information and documents provided for this purpose (except for publicly accessible information) in strict confidence and only use it in order to fulfil the contracts with GLEISTEIN.
2. Without the prior written consent from GLEISTEIN the Supplier shall not be permitted to make any reference to business relations or to advertise using it or the products manufactured for GLEISTEIN. The Supplier shall accordingly hold its own subcontractors to such conduct.

IX. REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)

The supplier assumes the responsibility to ensure that goods are delivered in the quality and packaging as defined and prescribed by the Geo. Gleistein & Sohn GmbH quality conditions. A failure to comply with these conditions is deemed to represent a material breach of contract. The Geo. Gleistein & Sohn GmbH Restricted Substances List ("RSL") is a component of every purchasing contract. Full details are always available in the most current version at <http://www.gleistein.com/assets/downloads/2015-12-01-Gleistein-RSL.pdf>. The supplier confirms that all individual components of the goods supplied to Geo. Gleistein & Sohn GmbH fully comply with all requirements of the RSL as outlined in the most current version of the conditions, along with all applicable legal provision of the Federal Republic of Germany, in their respective current versions.

Individual components and products as a whole that exceed the limits prescribed in the RSL cannot be utilised by Geo. Gleistein & Sohn GmbH. Delivery of such goods represents a material breach of duty and entitles Geo. Gleistein & Sohn GmbH to withdraw the production contract without any prior notice and without any other obligations. Furthermore, should the supplier violate his/her contractual duties and deliver goods that exceed the limits set out in the RSL in part or in full, Geo. Gleistein & Sohn GmbH shall be entitled to claim damages from the supplier, notwithstanding any legal remedies.

The same applies in cases where goods delivered by the supplier and the samples provided by Geo. Gleistein & Sohn GmbH do not correspond with one another. Any quality-related deviations must also be agreed on prior to, or upon concluding, the contract, in writing.

X. Assignment

The Supplier shall not be entitled to transfer or assign its duties and claims from contractual relations to third parties without the written consent of GLEISTEN.

XI. Applicable Law, Place of Performance, Venue

1. The present Contract shall be subject to German law exclusively to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
2. Place of performance for all duties from and in connection with the present Contract, including payments, shall be Bremen.
3. Exclusive venue for all disputes shall be Bremen.