

Only the present conditions of purchase shall apply. Indunorm do not accept Supplier's contradicting or deviating conditions unless Indunorm have expressly and in writing approved their validity. The present conditions of purchase shall also apply in case Indunorm accept Supplier's deliveries unconditionally while being aware of Supplier's contradicting or deviating conditions. The present conditions of purchase shall apply also for all future business with Supplier. Individual agreements that may be concluded with Supplier for individual cases (e.g. framework contracts and quality assurance agreements as well as collateral and complementary agreements and their amendments) will always have precedence over these General Conditions of Purchase.

- 1. Orders:** Deliveries that are made without written order will not be accepted. Indunorm require prompt order confirmations. Indunorm reserve the right to accept any changes of amounts, prices or delivery dates. Supplier is obliged to point out obvious mistakes (e.g. misprints and calculation errors as well as incompleteness of orders and of the order documents) so that these can be corrected and/or completed before acceptance.
- 2. Compulsory information:** Before changing production processes, materials or supplied parts for products or services, production locations, methods or appliances for testing the parts or any other quality assurance measures Supplier must inform Indunorm sufficiently in advance so that Indunorm can find out if the changes may have a detrimental effect on the product.
- 3. Secrecy:** All documents provided by Indunorm including drawings, sketches and samples are exclusively property of Indunorm. Supplier undertakes not to make them accessible for third parties; to use the documents and samples exclusively for executing the orders; not to multiply the documents, to handle and keep the documents and samples with care and to return them to Indunorm immediately and completely after the orders have been executed. In particular Supplier will continue treating the production methods supplied by Indunorm as secret also after completing the orders and not use them for their own production or for supplies to competitors of Indunorm. Indunorm reserves all rights in new features provided by Indunorm – in particular in case any patent is granted or utility models are registered. Products that are made on the basis of information (e.g. drawings, models and similar) provided by Indunorm or on the basis of confidential information supplied by Indunorm must not be used by Supplier themselves; Supplier must neither offer nor supply them to third parties.
- 4. Delivery:** Delivery has to take place on working days between 8 AM and 3 PM solely, Fridays until 2 PM. Deliveries that do not take place within this time frame require a written confirmation of Indunorm. Except stipulated otherwise, all deliveries later than 30th of November of each year will be rejected and not be accepted before the subsequent calendar year.
- 5. Passage of risk, place of performance:** In all cases the risk shall be borne by Supplier up to arrival of the goods at the receiving agency determined by Indunorm. The risk shall pass to Indunorm always upon transfer of the goods to the receiving agency determined by Indunorm. Supply shall be made within Germany to the place shown in the order. The destination shall in each case also be the place of performance. In case a place of performance has not expressly been determined Neukirchen-Vluyn shall be the place of performance.
- 6. Reservation of title:** Upon transfer of the goods to Indunorm title shall pass to Indunorm directly. Indunorm do not recognise any reservation of title.
- 7. Pricing:** The price shown in the order is binding. Unless any other agreements have been concluded for individual cases the price shall include all services and collateral services provided by Supplier as well as all collateral cost (e.g. appropriate packaging, transport cost inclusive of any transport and liability insurance). Upon our request Supplier shall accept packaging material for return. Price demands have to be announced by the supplier in writing at least three months before the beginning of the new quarter. This announcement does not automatically imply the acceptance of the demand.
- 8. Partial deliveries, short and excess deliveries:** Partial deliveries do not constitute performance unless Indunorm approve them. Simple acceptance of a partial delivery does not constitute such an approval. In case of deliveries that are max. 5 % short of the order Indunorm shall be entitled to accept the respective delivery and cancel the missing rest of the delivery. Indunorm reserve the right to return to Supplier at Supplier's expense goods delivered in excess.
- 9. Delivery date, penalty:** The delivery date given by Indunorm in the order is binding. Supplier undertakes to perform at the agreed delivery date. As

soon as Supplier becomes aware of delays Supplier must inform Indunorm of the delay, its causes and probable duration. In case Supplier are not able to perform at the agreed date, no matter for what reason, Indunorm shall be entitled to withdraw from the contract and acquire substitute deliveries from third parties and/or demand compensation for non-performance according to Indunorm's own choice. The above shall apply without prejudice to any further legal claims by Indunorm. Indunorm shall not have to set a period of grace combined with a warning of refusal. Supplier shall have to reimburse to Indunorm any additional cost caused by delayed delivery or service. Acceptance of the delayed delivery or service does not constitute a waiver of claims for compensation. In case delays occur repeatedly Indunorm shall be entitled to withdraw from the contract also if Supplier is not responsible for the delay.

In the event that delivery is delayed due to reasons that are attributable to the supplier, the supplier waives the defense to consecutive violations of the same provision and is obliged to pay a contract penalty of EUR 50.00 per customer back order and per delayed article to Indunorm. Indunorm is also entitled to claim the contract penalty up to the final invoice if Indunorm did not expressly reserve this right when accepting the delayed delivery.

The right to claim further damages remains reserved. The supplier is reserved the right to prove that no or considerably fewer damages were caused to Indunorm.

Deliveries before the agreed date are permitted only with the consent of Indunorm. Indunorm reserve the right to return goods that were sent before the agreed date or to state a value date for the respective invoice.

- 10. Form of delivery:** Deliveries must be made exclusively on Indunorm's separate transport and packaging directive for suppliers. The transport and packaging directive is in their respective applicable versions part of Indunorm's conditions of purchase.
- 11. Payment:** Unless any other agreements have been concluded payments shall be made on the 25th of each month that follows a delivery and performance as well as receipt of a correct invoice minus 3 % discount or 90 days net.
- 12. Origin of goods, preferences, regulations in international commodity traffic:** Supplier undertake to present for all items delivered to Indunorm a long-term supplier's declaration confirming the legal preferential status of the goods ("Product having preferential origin status in the EU" or "Product without preferential origin status in the EU"). In case Supplier do not respect this obligation or in case of wrongly issued declarations Supplier shall be liable for any damage Indunorm suffers in consequence of this violation. Supplier undertake to check if their products are subject to any prohibitions, restrictions and/or duty to obtain permits in international commodity traffic (e.g. with respect to the export list, dual use regulation, US re-export regulations, etc.) and in case that applies to mark the products with clear and unequivocal information in their offers, order confirmations and all documents accompanying the goods. In case Supplier do not fulfil the above requirement Supplier shall be liable for any damage suffered by Indunorm in consequence of this violation inclusive of all claims for reimbursement for foreign customs duties, levies, fines, etc. Decoding of designation of origin: D = third country / E = EU / F = EFTA
- 13. Warranty:** In case of material or legal defects of the goods (incl. wrong or short delivery as well as faulty assembly, faulty manuals for assembly, operation or handling) and other violations by Supplier the legal regulations shall apply unless any other stipulations are made below. In accordance with the legal regulations Supplier shall be liable in particular for assuring that the goods have the agreed quality upon passage of risk to Indunorm. In each case shall apply the product descriptions that are subject matter of the respective contract in particular by inclusion or reference in the order – or that have been included in the contract in the same way as these conditions of purchase. In this respect it does not matter if the product description has been provided by Indunorm, by the supplier or by the manufacturer. In deviation from Art. 442 para. 1, sentence 2 BGB (German Civil Code) Indunorm shall be entitled to claims for damages without limitation also if Indunorm did not become aware of the defect upon conclusion of the contract due to gross negligence. For the requirement to check the delivery and to make a complaint in respect of a defect shall apply the legal regulations (Arts. 377, 381 HGB (German Commercial Code) with the following proviso: Indunorm's obligation to check the goods shall be restricted to defects that can be detected by the incoming goods control by means of visual checks inclusive of the delivery documents and by random checks of our quality control personnel (e.g. damage in transit, wrong or short deliveries). In case acceptance has been agreed Indunorm shall not be obliged to check the goods. In general, the decisive aspect will be to what extent a check will be feasible taking into account the circumstances of the respective case. The above does not affect the obligation to make complaints about defects that are discovered at a later time. In all cases a complaint (notice

of defects) shall be considered to have been made in time if Supplier receives it within two weeks.

Supplier shall pay the cost of testing and repair also if it is found that the goods in question were not defective. Indunorm's liability to provide compensation for damages caused by unjustified claims for repair of defects remains unaffected. However Indunorm shall be liable only if Indunorm found or in gross negligence did not find that the goods in question were not defective.

In case Supplier do not fulfil their obligation to take remedial measures (either by rectifying the defect or by delivery of a non-defective product as chosen by Indunorm) within a reasonable period determined by Indunorm the latter may rectify the defect themselves and claim from Supplier compensation for the expenses or respective advance payments. In case Supplier's remedial measures were not successful or are unacceptable for Indunorm (e.g. because of special urgency, danger for safety of operation or threatening disproportionate damage) no period need be determined. Supplier must be informed without delay – if possible in advance.

Further, in case of material or legal defects Indunorm shall be entitled to reduce the purchase price or to withdraw from the contract as provided by law. In addition to the above the legal regulations entitle Indunorm to claims for damages and compensation of expenses.

Supplier respects the state of technology and the applicable legal and government regulations (in particular DIN, VDE, VDI, DVGW). On the day of delivery the goods must be in accordance with all applicable legal and government regulations including those of the law on safety of appliances and of environmental protection and they must satisfy the requirements of the safety regulations. In case Supplier deliver hazardous substances in the sense of the respective ordinance or products that may release such substances Supplier must provide for Indunorm or their service providers the data that are required for producing an EU-safety data sheet (Art. 14 GefStoffV (ordinance on hazardous substances) without being requested to do so.

14. Recourse: Indunorm are unlimitedly entitled to the legal recourse within the supply chain (claim for damages in accordance with Arts. 478, 479 BGB) in addition to the claims for damages. In particular Indunorm are entitled in each case to demand that Supplier provide for Indunorm exactly the kind of remedial measure (rectification of defects or substitute delivery) that Indunorm owe their customers. This does not limit the legal right of choice (Art. 439 para. 1 BGB). Before Indunorm recognise or fulfil a claim for damages raised by their customers (including reimbursement of expenses in accordance with Arts. 478 para. 3, 439 para. 2 BGB) they will notify Supplier and request a brief description of the matter and a written statement. In case the statement is not delivered within a reasonable period of time and no solution can be agreed the compensation that was actually provided by Indunorm shall be considered to be owed by Indunorm vis-à-vis the customer. In such a case it shall be Supplier's responsibility to prove the contrary. Indunorm's claims under recourse to Supplier shall also apply in case the goods have been further processed by Indunorm or one of our customers (e.g. by being integrated into another product) before they were sold by Indunorm to a consumer.

15. Product liability: Supplier keep Indunorm free from all claims resulting from product liability outside the contract to the extent to which these claims arise due a defect of the product delivered by Supplier. Further, Supplier shall be liable for damage that Indunorm suffer because they have to take reasonable precautions against liability claims outside the contract that are to be attributed to Supplier (e.g. public advertisement). Supplier must be sufficiently insured against claims that may be raised against them in cases of product liability and they must be able to prove this insurance to Indunorm by presenting a respective insurance policy.

16. Use of brand names of Indunorm: In case Indunorm returns any goods that bear a brand name or logo of Indunorm or do not accept such goods these goods must not be sold to third parties. In each case of violation shall be charged a penalty amounting to twice the value of the goods, but no less than EUR 15,000.00.

17. Force majeure: Strike, lock-out, disturbance of operation, orders by authorities and other cases outside the sphere of influence of Indunorm that may reduce the demand shall be considered to be force majeure and entitle Indunorm to withdraw from the contract.

18. Industrial property rights: In case of an intentional violation of industrial property rights Supplier shall keep Indunorm and their customers free from any claims of third parties resulting from the violation of copy rights, commodity rights and patents unless the design of the respective commodity has been provided by Indunorm.

19. Prohibition of child labour: Supplier undertakes not to employ children. Supplier ensures that their own suppliers do not employ children, either. Children are all persons younger than 15 years. Exceptionally, children may be employed from the age of 14 in case legislation in the manufacturer's country permits employment from the age of 14.

20. Compliance with minimum wage: The supplier commits himself to observe the provisions of the Minimum Wage Act of 11 August 2014 (BGBI. I S. 1348) for his workers employed in Germany consistently.

21. Environmental protection: Protection of the environment play an important role in Indunorm's quality philosophy. For that reason Indunorm expect that their suppliers show an environmental awareness that corresponds with that of Indunorm. Supplier undertakes that the products delivered by them do not contain any substances included in the so-called candidate list according to Art. 59 (1, 10) of the regulation (EC) 1907/2006 (REACH). Supplier undertakes to notify Indunorm immediately in case products delivered by Supplier contain substances on the candidate list – no matter for what reason. This shall apply in particular in case the candidate list is extended. Supplier names the individual substances and provides information on the content in percent per weight with the greatest possible precision. Indunorm are not obliged to accept products that contain substances from the candidate list.

22. Language, applicable law, and jurisdiction: The language of the contract is German. The contract is subject to German law. The UN Sales Convention shall not be applicable. Jurisdiction for all disputes arising from this contract shall be Moers in case Supplier is a qualified merchant, a legal entity under public law or a special fund under public law. Indunorm shall be entitled to take legal action also at Supplier's seat.

23. Separability: In case any of the above regulations or a part of any of them is invalid this shall not affect the validity of the remaining stipulations. The parties agree that such an invalid stipulation shall be substituted by a valid one that is as close as possible to the meaning of the invalid stipulation.

Neukirchen-Vluyn, April 2015