

GENERAL TERMS AND CONDITIONS OF PURCHASE – HAI GERMANY (8/2018)

All current and future orders shall be placed exclusively in accordance with and subject to the validity of the present General Terms and Conditions of Purchase, except insofar as otherwise agreed in writing in relation to any individual aspect. Any terms and conditions of business with contrary effect shall not be valid and are hereby rejected. It shall not be necessary for us to specifically object to the terms and conditions of supply of the contractual partner.

These Terms and Conditions of Purchase have also been made generally available on the internet at <http://www.hai-aluminium.com/en/downloads> in order to ensure that it is reasonably possible for their content to be ascertained.

1. ORDERS

Orders shall only be binding upon us if they are placed in writing or confirmed by us in writing. Orders placed by us may be accepted by postal or electronic transmission of an order confirmation. Any changes to our order shall only have effect in relation to us with our express written approval. The terms and conditions of supply of the supplier shall only be binding upon us if they have been expressly accepted by us in writing.

2. PRICES AND PACKAGING

Unless agreed otherwise, the prices agreed shall be fixed prices DDP according to the INCOTERMS 2010. Domestic prices are net prices. The goods shall be packaged in the manner customary in the trade that is suitable, appropriate and unobjectionable for the goods that are to be shipped, except as agreed otherwise or as required by any specific stipulations. Unless specifically agreed otherwise, packaging material shall pass into our ownership, and any return shipments shall occur at the risk and cost of the contractual partner.

3. DELIVERY DEADLINES AND PERIODS

The deadlines and periods agreed to shall be fixed deadlines. Compliance with the delivery deadline or delivery period shall be ascertained with reference to the time when the goods are received by us. In the event that delivery “carriage paid” has not been agreed upon, the Supplier shall prepare the goods for dispatch in good time, taking account of the standard times for loading and shipment.

In the event of a delay—whether of all or part of the supply—we shall be entitled to withdraw from the contract without setting a grace period, either in relation to the entire supply or only

the outstanding part, or to continue to insist on performance. If it is uncertain whether the delivery deadline will be complied with, the Supplier shall be obliged to inform us promptly of this fact, stating the reasons, along with the expected duration of the delay. Also in such an eventuality, we shall be entitled to withdraw from the contract in advance of the agreed deadline without setting a grace period. Even if we consent to a deferral of delivery, we shall be entitled to liquidated damages of 0.25% of the order amount per calendar day, up to a maximum of 10% of the order amount, following the fruitless expiry of an appropriate deadline to be set by us. Liquidated damages shall constitute the minimum level of compensation for us, and we reserve the right to claim additional damages in the event of further losses.

Partial deliveries and advance deliveries shall require our written approval, but shall not give rise to any entitlement to early payment. Risk in relation to goods that are delivered early shall only transfer at the delivery deadline actually agreed to.

The duty to deliver shall only be deemed to have been fulfilled if performance—or partial performance—as a whole has been properly rendered and all documents, certificates etc. requested or required have been provided to us.

4. SHIPPING

If the contractual partner avails itself of third parties (freight forwarders, sub-suppliers, etc.), it must ensure that these comply with our shipping terms and conditions agreed in the Purchase Agreement. Dispatch notices (delivery notes) shall be enclosed in duplicate upon dispatch of the shipment to our designated reception facility specified in the order along with the consignment note (except for bulky shipments) or for air freight or postal deliveries along with the material shipped, or for freight shipments shall be handed over to the freight forwarder along with the indication “intended for the recipient”. The complete order number must be clearly visible on consignment notes, in the dispatch notices intended for the recipient and on the packages themselves (marking, adhesive label).

All dispatch notices, invoices, etc. must state the total weight (gross and net weights), or at least an estimated weight, along with the item number. If the order features a contract item number, this must be indicated on all written documents, including delivery documents.

For cross-border shipments from non-EU countries, two invoices as customs documents along with movement certificates or certificates of origin must be included along with the shipping documents, or must be sent by expedited delivery to the reception facility designated “for customs purposes” in

good time in order to ensure that they arrive prior to receipt of the goods. For deliveries from EU Member States, a “previous supplier declaration” must be enclosed along with the delivery documents.

We shall only bear the costs of transport insurance if expressly so agreed. Unless expressly agreed otherwise in writing, any incidental costs associated with order execution shall be borne by the Supplier. With regard to other matters reference is made to the shipping terms and conditions and/or customs requirements or stipulations provided separately—depending upon the specific commercial transaction—which shall constitute an integral part of our Terms and Conditions of Purchase. In the event of non-compliance with shipping terms and conditions and/or customs requirements or stipulations, as agreed in the Purchase Agreement, or other requirements, all resulting risks, losses and costs shall be borne by the Supplier and the due date of the invoice shall be deferred accordingly until fulfilment or presentation of the missing documentation.

5. RECEIPT

Supplies shall be received at the reception facility specified in the order. Obvious defects shall be regarded as having been duly reported if we have reported them to the Supplier within two working days of our receipt of the goods. Material defects that are only obvious following a proper inspection shall be regarded as having been duly reported if such notification is sent to the Supplier within ten working days of said defects being discovered.

We shall only examine the goods delivered in order to ensure that they are compliant with the type of goods ordered, are in the requisite quantity and do not feature any immediately recognisable external damage caused during transit. Supplies shall only be deemed to have been accepted with our express written confirmation, if so requested.

6. CONDUCT ON THE FACTORY PREMISES

The Road Traffic Act (StVO) applies throughout all factory premises of HAI.

Vehicles must have completed a valid TÜV inspection.

The provisions governing personal protective equipment must be adhered to without exception. Vehicles may only be parked on the factory premises within the dedicated marked spaces of HAI.

It is prohibited to wash, repair or refuel vehicles on the factory premises. Filming and photography is prohibited throughout the factory premises. The disposal of rubbish, tyres, batteries, waste oil etc. is prohibited.

Any theft of or damage to company property will be reported. Drivers must avoid any unsafe situations and accidents whilst on the factory premises and report to the HGV registration office.

This information must be passed on to all staff involved.

7. TRANSFER OF RISK

Risk shall transfer to us at the time the goods are received in the proper manner at the place of destination.

8. WARRANTY

The contractual partner shall provide us with a warranty and full guarantee that the goods are fault-free. All technical standards shall be complied with. Unless expressly agreed otherwise in writing, the Supplier's warranty and guarantee shall have a duration of 24 months for movable items, or 3 years for immovable items, after acceptance or commissioning, or after discovery for latent defects. For goods that usually remain packaged until they are used, defects that only become apparent at the time the packaging is removed shall be regarded as latent defects. It shall be presumed that defects that come to light within twelve months of supply were already present at the time of delivery. The warranty period shall commence once again for repaired parts or parts replaced within the framework of the warranty liability.

We exclusively shall have the right to request the rescission of the contract, a reduction of the price or that the goods be rectified or exchanged. For generically defined goods, the detection of defects from random testing shall give rise to warranty and damages claims in relation to the entire supply.

Without prejudice to our other rights under warranty, in the event that the Supplier fails to comply with its obligations within the period necessary for us, we shall be entitled to rectify such defects or damage at the cost of the Supplier or to arrange for a third party to do so. This shall have no effect on the obligations of the Supplier.

Without prejudice to the foregoing, in the event of a defective supply the Supplier shall pay damages in the amount of the losses actually incurred, including our lost profit. Our losses shall also include all costs that we incur in order to determine and enforce the losses, whether through court action or out of court, including the costs of obtaining a professional opinion from an independent expert. The contractual partner shall also be liable to us for minor negligence.

9. PRODUCT LIABILITY

The Supplier warrants in its own right and on behalf of its successors in title that the goods supplied are fault-free with regard to construction, production and instructions in accordance with the relevant applicable version of the German Product Liability Act. It warrants in particular that the products are not known to feature any defects according to the state of the art at the time they were marketed. The Supplier undertakes in its own right and on behalf of its successors in title to monitor the product. It shall inform us immediately should the product subsequently prove to be hazardous in any way. The Supplier undertakes to indemnify us and to hold us harmless in the event that action is taken against us by a third party. It

further undertakes to name the producer and importer if so requested by us. It undertakes to impose liability also on its own suppliers. The Supplier shall secure sufficient insurance cover for any obligations to pay damages.

10. INVOICES

All invoices shall be sent to the relevant recipient company from the HAI Group in duplicate copy (international/national) and shall state the order number. The customs tariff numbers and the weight of the delivered items must be stated in the invoices. Invoices must contain all information required under Section 14 of the Value Added Tax Act (UStG).

11. PAYMENT TERMS

Unless agreed otherwise, we shall pay at our option on the 30th day of the month following that in which the invoice was received with a discount of 3% or within 60 days of receipt of the invoice with a 2% discount by bank transfer, cheque, three-month acceptance bill or customer draft. Unless specifically agreed in writing, cash on delivery shipments shall not be accepted. Payment periods, including in particular discount periods, shall start on the day on which the invoice is received at our factory. In the event of payment by acceptance bill or customer draft, we shall pay discount interest at the level of the discount rate charged by our bank when discounting drafts. We shall be entitled to extend our own acceptance bill by an additional 3 months.

In the event that the goods are objected to, we shall be entitled to extend the payment term.

12. ORDER DOCUMENTATION

It is not permitted to give public notice of our order for advertising purposes.

We shall not pay any compensation in respect of the preparation of offers, plans etc. The presentation of an offer shall be construed as consent to the provision by us of technical offer documents etc. for examination also by our engineering partners. Offer documentation will not be returned by us. Unless agreed otherwise, any charges, costs and fees arising in relation to our order shall be borne by the Supplier.

13. MISCELLANEOUS

We shall be entitled to inspect and to monitor on an ongoing basis the production of goods ordered by us or to reject defective parts during the production stage. The involvement of any sub-contractual partners in relation to the completion of our order shall require our prior approval, as shall the full or partial contracting out of our orders to third parties.

In the event of significant deterioration in the Supplier's fi-

ancial situation after the order has been placed, we shall be entitled to withdraw from the contract within a period of one week as soon as we become aware of the situation.

Assignment of a claim without our explicit approval shall be excluded.

Where the written form is requested in these terms and conditions, this shall also include text form.

14. OFFSETTING AND RETENTION

The Supplier shall only have rights of offsetting and retention on the basis of counter-claims that have been legally proven or are undisputed.

15. PLACE OF PERFORMANCE

The place of performance for the obligations of the Supplier and for payment shall be Soest, Germany, unless another place of performance has been expressly agreed to in writing.

16. PATENTS/INDUSTRIAL PROPERTY RIGHTS

The Supplier warrants that its supply/performance and our exploitation thereof will not result in the infringement of any third party patents or other industrial property rights. It shall hold harmless and indemnify us and our customers in this regard.

17. JURISDICTION, APPLICABLE LAW

All contractual relations shall be subject to German law, excluding the referral provisions and international conflict of laws rules (Rome I Regulation). It is expressly stated that the UN Convention on Contracts for the International Sale of Goods (CISG) shall not apply to the contractual relationship.

Should the buyer be domiciled in a country subject to the Brussels Ia Regulation (Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 (EuGVVO)) or the Lugano Convention (LGVÜ), the exclusive jurisdiction of the respective court having jurisdiction over the subject matter and local jurisdiction for Soest, Germany shall be deemed to apply to all disputes arising directly or indirectly from this contract. We shall also be entitled to commence action before any other court with competence over our contractual partner.

The following rule shall apply to all other contractual partners: All cases of dispute arising from or in conjunction with this contract shall be decided on in a definitive manner under the Rules of Arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed according to said Rules. The location of arbitration proceedings shall be Düsseldorf. The language of any arbitration proceedings shall be German.

18. VALIDITY

Should any individual provisions of these Terms and Conditions of Purchase be or become invalid in full or in part, all remaining provisions of these Terms and Conditions of Purchase shall remain valid.

19. CORRESPONDENCE

Any correspondence must cite our letter reference and the date of the previous correspondence, along with the complete order number or query number. Any queries must be addressed exclusively to our Purchasing Department.

20. CODE OF CONDUCT

The Supplier undertakes to ensure compliance with national environmental laws, employment laws and contracts, provisions regarding competition and other provisions applicable to the Supplier.

It undertakes to act in a manner in accordance with the principles of the UN Global Compact, the ILO Conventions and other international standards. The Supplier shall in particular observe human rights. Its employees shall be entitled to join or establish trade unions or similar organisations. It shall not permit or make use of child labour. In addition, the Supplier shall not be involved, either directly or indirectly, in any form of price-fixing, cartels, corruption or other practices restricting competition or otherwise in breach of the law.

The Supplier undertakes to act in accordance with the principles of the „Wall Street Reform and Consumer Protection Act“, Section 1502. This means that the contractor must check its entire supply chain for any use of so-called „conflict minerals“. (e.g. tantalite, wolframite, cassiterite or even gold)

More precise specification of „conflict minerals“:

<http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>

These minerals are sometimes mined in subhuman conditions. In addition to minerals from Eastern Congo, „conflict minerals“ may also involve minerals from other parts of the world.

If conflict minerals are used within the supply chain, we must be notified about this immediately. Should this be the case, direct measures to substitute them must be initiated immediately and completed in a timely manner.

21. FREE-ISSUE PARTS

Any kind of production documents provided to the Supplier shall remain our property without exception. They are only intended to be used for completing the respective order and must be returned without being prompted to do so once work is complete. They must be handled in a strictly confidentiality manner, and may only be disclosed to third parties subject to our written consent, regardless of the reasons involved. This provision does not apply to enquiry documents.

If we waive the requirement to return the documents, they must be destroyed once the respective order has been completed, taking into account the required level of confidentiality. Any kind of material provided by us shall remain our property without exception. This material must be stored and retained separately and in a manner accessible to us.

The Supplier shall be fully liable for any damage or losses.

The material provided by us shall be processed or remodelled exclusively for us. We are the manufacturer in the sense of Section 950 of the Civil Code (BGB).

22. DATA PROTECTION

We and the Supplier undertake to fulfil the requirements of the respectively applicable data protection provisions and shall also impose this obligation to the same extent on any individuals otherwise employed by us to fulfil the commercial relationship (assistants, commissioned data processors, etc.). Furthermore, we and the Supplier shall collect, process and use any personal data received solely in accordance with the respectively applicable data protection provisions. This obligation continues even after the termination of activities within the framework of this contract. We and the Supplier shall also ensure our employees are given training and are obligated to comply with the various applicable data protection provisions. Following prior notification to do so, we and the Supplier shall be entitled to verify compliance with the data protection provisions at any time.

We and the Supplier give the explicit consent for all data collected as part of the commercial relationship (name, contact details, account details, etc.) to be subject to computerised processing. We and the Supplier give consent in particular for this data to be transferred and processed by commissioned data processors if they have been obligated to observe data protection provisions by way of a suitable written agreement.

23. CONFIDENTIALITY

The contracting parties shall ensure all information, knowledge and documents (the „Confidential Information“) transferred verbally, in writing, electronically or in any other format, or made available to the public by the other contracting party in conjunction with this contract shall be dealt with in the strictest confidence. This includes in particular all business, commercial and financial information, as well as information of a scientific, technical or industrial nature.

The contracting parties undertake to only disclose the Confidential Information to certain employees working for them or for their affiliated companies, and who require such information in order to fulfil the respective obligations and are themselves obliged to ensure confidentiality in accordance with these provisions under Section 23. The disclosure of Confidential Information to other third parties as well as the use of Confidential Information for purposes other than fulfilling the respective contractual obligations assumes the prior written consent of

the respective other party.

This confidentiality obligation does not include certain Confidential Information disclosed to the other party via publicly accessible sources, and notified to the other party by third parties without breaching confidentiality obligations, as well as certain confidential information which must be disclosed on the basis of statutory obligations or definitive official order or final judicial decision.

Upon request to do so by one of the parties, the respective other party shall return all Confidential Information transferred

to it with immediate effect. It may not retain any copies, unless this is permitted under professional laws. Where technically possible to do so, electronic copies must be destroyed in such cases.

The confidentiality obligation agreed herein shall end three (3) years after fulfilment of all obligations arising from a contractual relationship established according to these terms and conditions. If no contract is concluded, the deadline shall end three years after termination of the discussions held between the parties.