General Terms and Conditions of Service and Delivery of

BENSELER Beschichtungen Bayern GmbH & Co. KG

These terms and conditions of business shall be governed by German law. In case of doubt, the German version shall prevail.

§ 1 Generally

1. The following terms and conditions of business apply exclusively to business relations established between the customer and us provided that our business partner is a business enterprise, a legal entity under public law or the funding body of special assets under public law. They shall apply to all future business relationships of any kind in their most recent valid version. The customer's general terms and conditions of business which are diverging, shall only apply insofar as we have explicitly approved them in writing. Neither our silence nor the acceptance of the order nor its payment shall be deemed as a recognition.
   Possible changes, collateral agreements and other declarations and notifications require a text form insofar as not otherwise determined in these terms and conditions. The waiver of the written form requirement and any termination to the contract require a written form. The written form shall also be fulfilled by a qualified electronic signature (Sec. 126A BGB - German Civil Code).

§ 2 Prices and altered prices

1. The prices that were taken as the basis for our quotations refer to the scope of work that is included in the quotation: the matter concerns net prices in Euro, plus the statutory rate of value-added tax which is respectively applicable at the time when the delivery is made. The prices are ex works. The delivery of the parts which are to be processed by us is carried out freight prepaid for us, as well as the outgoing delivery itself insofar as vehicles are to be provided by us.

2. In the event that the lot size on which the quotation was based falls short at the customer's instigation, we are entitled to charge him for the extra costs which have been incurred because of that.

3. If an alteration of the decisive pricing factors – especially for materials, wages and incidental expenses, energy costs and taxes – occurs after the contract has been signed, then we are entitled to appropriately increase the contractually agreed prices for work or services which are intended to be provided later than six weeks after the contract has been signed. If the increase amounts to more than 5%, then the customer is entitled to withdraw from the contract by means of a written declaration within 14 days from the time when the increased price was advised.

4. We are entitled to request a security for advance services to be performed by us in accordance with Sec. 650f BGB.

§ 3 Period and place of delivery, operational interruptions, self-supply and passage of risk

1. The period of delivery refers to the date of despatch ex-works. We shall be given a reasonable period of grace whenever the period of delivery is not complied with.

2. If we are hindered from fulfilling our contractual obligation by force majeure or other extraordinary circumstances which we cannot avert, e.g., fire and other elements (i.e., natural forces), industrial disputes, official measures or energy shortages, then the period of delivery shall be prolonged accordingly.

3. The risk shall pass to the customer as soon as the consignment has been handed over to the person who carries out the transport. If the despatch becomes impossible through no fault of our own, then the risk shall pass to the customer when the readiness for despatch has been advised. The place where the delivery is handed over to the forwarding agent applies as the place of delivery. Our delivery commitment shall be fulfilled by means of the handover.

§ 4 Carrying out the order

1. The order shall be carried out according to the state-of-the-art and be of merchantable quality within the framework of tolerances caused by materials and processes, insofar as specific arrangements for carrying out the order are not agreed with the customer.

2. The customer's rules and guidelines about quality assurance shall only be binding upon us, insofar as we have confirmed them in writing.

3. We only create initial samples in accordance with the VDA guideline and FMEAs following explicit agreement with the Client. To this end, both sides are entitled to demand that such an agreement is concluded (and an initial sample report drawn up) or to terminate the order in question if the agreement is not adhered to.

4. A reference to DIN standards or comparable standards shall only serve to describe the goods and it does not represent any guarantee. If we cannot comply with the technical data that is required by the customer, then we shall be obligated to refer to this fact in the quotation or in the test report on the primary sample(s). No further claims by the Client shall exist. If objects intended for series production are provided to us first for processing, a procurement agreement shall be concluded at the earliest when both sides sign a prototype test report, even if large numbers of parts have already been processed upon request by the Client.
5. The quality check on the delivery item shall only be replaced by the analysis of processing parameters, insofar as there are clear correlations and no check on the delivery item has been agreed expressly, even when ordering it. Inspections that are made during manufacture refer to the processing parameters.

6. A duty of documentation shall only exist regarding those delivery items for which a written agreement about it has been made.

7. Our management's prior consent is required for access to the production sequence as well as to the manufacturing and testing documents. Such access cannot be given in every case, especially insofar as the manufacturing secrets are affected by it. This provision also applies in principle to implementing the QA audit.

8. The information and advice about possible applications and treatment operations as well as other information is given otherwise according to the best of our knowledge but subject to limiting our liability to (criminal) intent and gross negligence. The customer accepts any operational risk when the order is placed. We shall also be liable for simple negligence insofar as the customer's legally protected rights are affected, whenever the contract's main duties include giving information or advice in a special case. Furthermore, these limitations of liability do not cover any injury to the customer's life, body or health which is ascribable to us.

§ 5 Costs of special tools

1. Insofar as special tools (including special trestles, stands and other equipment) are required for carrying out the orders, the costs of materials and manufacture (proportionate tooling costs) for this purpose shall be charged to the customer. These proportionate tooling costs shall be invoiced with the first order. This provision applies in the same way to any requisite work of maintenance and repair as well as to new procurements which must be expected in particular with large numbers of units and orders with longer contractual periods.

2. The tools shall be checked by us for functional efficiency and wear at regular intervals: we shall thereupon carry out any requisite maintenance work immediately.

3. If the order for which the special tools were procured or manufactured has been completed, then we shall be obligated to store these tools for 6 months unless the customer demands in writing before the duty of storage lapses that they are stored for a longer time regarding any later follow-up orders. We are entitled in this case to charge for the necessary costs of further storage.

4. The tool(s), including the associated drawings, shall remain our property even after the order has been carried out conclusively.

5. If the ordering party provides tools/equipment itself, then paragraph 3 applies accordingly. If the ordering party does not request further storage, then it is obligated at the latest after a request to do so (text form) to pick up these parts within three weeks. Otherwise, we are entitled to return the parts to it at its cost or to sell or destroy these without replacement.

§ 6 Warranty and liability

1. The basis of our liability for defects is in the first place an agreement about the condition of the service which is to be provided by us, which has been included in the contract in the same manner as these General Business Terms. Such an agreement does not involve a promise of guarantee. Insofar as a condition was not agreed our service is free of defects of quality if it is suitable for the use presumed according to the contract.

2. We shall either repair the defective goods or deliver replacements for them at our discretion, first of all. If the rectification of defects fails, then the customer can basically lower the remuneration (depreciation) at his discretion or demand that the contract is rescinded (withdrawal). Nevertheless, the customer is not entitled to a right of withdrawal whenever the work has the agreed quality, or it is suitable for the utilization that is required under the contract, or it is suitable for customary utilization and it has the agreed quality which is usual for work of the same kind.

3. The customer has to notify us about any defects in writing immediately according to article 377 of the German Commercial Code, or within eight days at the latest after receipt of the treated parts. Timely despatch suffices for observance of the deadline. The assertion of claims under the warranty is excluded otherwise. The customer must bear the burden of proof for all of the claim's prerequisites: especially for the

defect itself, for the time when the defect was discovered, for its cause and for the punctuality of the notice of defects.

4. We must be given the opportunity of re-inspection. In addition, the precise delivery note number shall be given as well as the criticized number of units.

5. If the customer chooses to withdraw from the contract after the attempted rectification of defects has failed, then a claim to compensatory damages shall only be vested in him insofar as we are to blame.

6. If damage in parts which were processed by us is not discovered during processing on our premises but only during their further processing (i.e., retreatment) or assembly, or after they have been supplied for their intended purpose as the case may be, then the customer shall bear the burden of proof that the damage or impairment has occurred within our area of responsibility. An explicit agreement on the review of the goods supplied by us according to Section 4 Paragraph 5 shall remain unaffected.

7. Our warranty does not cover any defects that are traceable to defective and incomplete information given by the customer, or to divergences from the instructions and defective backing material (i.e., substrate), e.g., pre-corroded or wrongly packed, or to a condition which prevents skilled and professional treatment (grease, rust, dirt, scratches, dents, inclusions of hydrogen and other defects) of the backing material.

8. Unless indicated otherwise above, we are liable for the claims of the customer only to the extent that we are at fault. This liability is limited in the amount to damages which are typical of the contract and foreseeable at the point in time of contract signing. In case of a breach of secondary obligations, we shall only be liable for willful intent and gross negligence. These restrictions to liability shall not apply to claims of the customer from product liability, in case of the malicious non-disclosure of a defect, with the non-compliance with a guarantee of condition existing in an individual case, with the injury to the life, the body, the health or the freedom and in case of a willful or grossly negligent breach of duty by us.

9. Insofar as we are liable for scrap from processing, we shall initially pay compensation in the amount of the costs which have actually been incurred by the customer for materials and work remuneration; for any further damages, we shall pay compensation in accordance with Paragraph 8. The claim to compensation because of shortages for which we are responsible is limited to the net order value. Paragraph 8 shall also apply for any exceeding damage.

10. Warranty claims and claims for compensation enforced by the ordering party due to a defect prescribe after a year from the point of delivery of the goods. This does not apply in the case of the fraudulent concealment of a defect or to claims for compensation that arise as the result of injury to life, limb, or the health or freedom of a person.

§ 7 Terms of payment

1. Our invoices shall be paid without any deduction of discount and within 10 days from dispatch of the goods. We reserve the right to charge interest of 9% above the European Central Bank's (ECB) respectively applicable discount rate in the event of non-payment and when the period of payment has expired. Furthermore, we reserve the right to prove and claim higher damages resulting from the default.

2. We are entitled to request adequate security for our claim. We are further entitled to deem all, also deferred claims, from the current business relationship due and payable immediately, and to cancel all ongoing contracts with the customer in full or in part in the event that the customer does not pay a due invoice also after receiving a reminder with the setting of a final deadline, if a claim of the customer against us is assigned or attached, or if an application is filed to open insolvency proceedings over the customer's assets.

3. The customer can only set off any counter-claims which are legally established or undisputed. The customer can only exercise a right of retention if his counter-claim is based on the same contractual relationship.

§ 8 Reservation of ownership

1. The customer shall transfer ownership to us as security for the goods which must be processed by us, until our debt claims arising from the contractual relationship have been fully paid, including any arrears arising from a current or earlier contractual relationship. The transference shall take place when the goods are delivered.

2. The customer is entitled to carry out further treatment to the parts that have been transferred to us as security, after they have been treated and delivered by us. The share of co-ownership in the new object – which results from processing or combining the goods with other goods which do not belong to us – is vested in us proportionately according to the ratio between the invoiced value of the goods transferred as security and the value of the remaining processed or combined goods at the time when they are processed or combined. If the customer

acquires the sole ownership of the new article, then there is agreement that the customer shall grant us co-ownership of the new article proportionately according to the ratio between the invoiced value of the conditional commodities that have been processed or combined and the total value of the new article and he shall safeguard this [co-ownership] for us free of charge.

3. The customer is entitled to resell the goods transferred as security during the course of his ordinary business transactions; nevertheless, it is not permitted for him to pledge them or transfer them as security. The customer is obligated to secure our rights whenever the goods transferred as security are resold on credit.

4. The customer herewith assigns to us his debt claim arising from resale of the goods transferred as security. We accept this assignment. The customer is entitled to collect the assigned debt claim. The empowerment of collection shall be withdrawn whenever the payment is stopped or legal proceedings are taken that involve a cheque or a bill of exchange (e.g., a promissory note). This advance assignment applies similarly to the amount of the invoiced value for goods transferred as security, in the case of resale after processing or combination.

5. The customer has to advise us immediately about third-party seizure of the goods transferred as security or the assigned debt claim.

6. The customer shall bear all of the costs that must be outlaid in order to annul any third party rights to the goods transferred as security or to the assigned debt claim against them or to the replacement of them, insofar as they (i.e., the goods or debt claim) cannot be collected from third parties.

7. We shall release at our discretion the security that is vested in us according to this agreement upon the customer's request, provided that its value does not exceed the debt claim that has to be secured by more than 20%.
   Insofar as the delivered goods are provided by us and acquired by the customer (purchased parts), the following terms and conditions Subclause 8-14 shall apply to the reservation of title with priority and as a supplement:

8. The goods shall remain our property until the satisfaction of all claims to which we are entitled against the customer /buyer from the business relation including the receivables which are incurred in future, also from simultaneously or subsequently concluded contracts. This shall also apply if individual or all receivables of the seller have been included in a current account and the balance is drawn and recognised. A pledging or assignment as collateral of the reserved goods to third parties is not permitted.

9. The customer is only entitled to the resale of the reserved goods within the framework of the proper business operation if he hereby no already assigns us all receivables accrued to it from the resale against the buyer or against third parties without special declarations being required subsequently still, the assignment as collateral also covers balance claims, which arise within the framework of existing current account relationships or upon termination of such relationship of the customer with its end customers. If reserved goods are sold non-processed or after processing or connecting with objects, which are exclusively the property of the buyer /customer then the customer hereby now already assigns the claims incurred from the resale to us in full. If reserved goods are sold by the customer – after processing /connection – together with goods which do not belong to us the buyer hereby now already assigns the claims to which we are entitled from the resale to us in the amount of the value of the reserved good with all secondary rights and in rank before the rest. If no individual price has been agreed with the resale or connection of the reserved goods with other objects the customer assigns us, with priority over the other claims, that part of the total price claim, which corresponds with the value of reserved goods invoiced by us.
   We hereby accept the assignment in all afore-mentioned forms. The customer is also authorised to collect these claims after assignment. Our authorisation, the collect the claims ourselves, remains unaffected hereby; however we undertake not to collect the claims ourselves as long as the customer properly satisfies its payment and other obligations. At our request the customer undertakes to inform us of the claims ensuing from the resale and their debtors, to provide all information which is necessary for collection, to hand over the relevant documents and to inform the debtors of the assignment.

10. The customer carries out a possible processing of the reserved goods on our behalf without obligations being established for us from this. In case of processing, connection, mixing or combining of the reserved goods with other goods which do not belong to us we are entitled to the produced co-ownership share to the new object in the ratio of the value of the reserved goods to the other processed goods at the time of the processing, connection, mixing or combining. If the customer acquires the sole ownership to the new object the parties agree that the customer shall grant us co-ownership to the new object in the ratio of the value of the processed or connected, mixed or combined reserved goods and shall keep this in safekeeping for us free of charge.

11. If in connection with the payment of the reserved goods by the customer a bill of exchange liability is established for us then the reservation of title shall not lapse nor the claim from goods deliveries and/or plant delivery contract upon which this is based redemption of the bill of exchange by the customer as drawee.

12. If the value of the existing collateral items exceeds the claims which are to be secured by more than 20 % we are obliged at the buyer's request to accordingly release the collateral.

13. We are entitled to request hand over of the objects belonging to us at all times, in particular to assert the rights to removal or assignment of the claims for the consideration in the insolvency proceedings if the satisfaction of our claims by the customer is in danger, in particular if insolvency proceedings are opened over its assets or its asset circumstances deteriorate substantially. The assertion of the reservation of title and attachments of the delivered goods by us are not deemed as cancellation of the contract.

14. In case of attachments and seizures of the reserved goods or other disposals or interventions of third parties in our rights the customer has to inform us immediately and by coordination with us do everything necessary in order to avoid the danger. Insofar necessary for the protection of the reserved goods the customer must at our request assign claims to us. The customer is obliged to reimburse all damages and costs – including court and lawyer's costs incurred to us by intervention measures against access of third parties.

§ 9 Compliance

1. The Client hereby undertakes to engage in no actions within the scope of our business relationship that violate valid anti-corruption

statutes. The Client shall not offer, grant, request, or accept any advantages, and shall not enter into any agreements nor coordinate activities with other companies in such a manner as would bring about a hindrance, restriction, or falsification in accordance with current valid antitrust law.

2. The ordering party hereby authorises us to process, store and analyse data collected on it in conjunction with the business relationship, in the sense of the General Data Protection Regulation and data protection law. We do not disclose personal customer data to third parties. This does not include our affiliated companies and service partners who require the customer data to process an order. In this case, the scope of transmitted data is kept to the required minimum. Please also refer to our data protection declaration, which is available at www.benseler.de.

§ 10 Place of performance[1], place of jurisdiction[2] and applicable law

1. Markgröningen, at our discretion also the customer's registered seat, is the place of performance and the place of jurisdiction for all claims arising from the contractual relationship including the subsequent performance and the payments.

2. The contractual relationship is subject to the law of the Federal Republic of Germany. The United Nations Convention for the International Sale of Goods of 11th April 1980 does not apply.

3. If a provision of these terms and conditions as well as the concluded agreement is, or becomes inoperative, then the validity of the remaining part of the contract shall not be affected thereby. The contracting parties are obligated to replace the invalid provision by a regulation which shall as far as possible correspond with its financial outcome and which complies with the legal position.