



**General Terms and Conditions of Sale and Delivery of GTS Flexible Materials GmbH,
Spandauer Straße 5, 57072 Siegen, DE**

1. Scope

Sales, deliveries, and services of GTS Flexible Materials (hereinafter "GTS") shall be made exclusively in accordance with the following general terms and conditions of sale and delivery ("the Sales Terms") that the Purchaser accepts by placing an order or accepting the delivery. Application of any deviating and supplementary general terms and conditions of the Purchaser shall be excluded, even if GTS does not explicitly object to them. These Sales Terms shall also apply to any future legal transactions between the Purchaser and GTS, except if the parties explicitly agree on different terms for that purpose.

2. Conclusion of contract

Any offers of GTS are subject to change. A contract shall only be entered into by written order confirmation by GTS or implied by delivery of the item; they shall be subject exclusively to the content of the order confirmation and these Sales Terms. Any verbal agreements or promises shall require written confirmation by GTS in order to be valid.

3. Delivery and performance deadlines

- 3.1 Delivery and performance deadlines and dates shall only be binding if confirmed in writing by GTS and if the Purchaser has provided GTS with all information and documents required for execution of the delivery in time and made any agreed downpayments in accordance with the contract. Any agreed deadlines shall commence upon receipt of the order confirmation by the Purchaser. If any additional or extension orders are placed at a later date, the deadlines shall be extended accordingly.
- 3.2 Any unforeseeable, unavoidable events that are outside of the sphere of influence of GTS and for which GTS is not responsible, such as force majeure, shall exempt GTS from the obligation to deliver or perform on time for their duration. Any agreed deadlines shall be extended by the duration of the disruption; the Purchaser shall be informed of the occurrence of such disruption in an appropriate manner. If the end of the disruption is not foreseeable or if it exceeds a period of two months, either party shall have the right to withdraw from the contract.
- 3.3 If any deliveries by GTS are delayed, the Purchaser shall only be entitled to withdraw from the contract if GTS is responsible for the delay and a deadline set by the Purchaser for delivery has expired without success.
- 3.4 If the parties agree that the delivery item is to be delivered in instalments on call by the Purchaser, the delivery item must be called off within one year of the conclusion of the contract in the absence of any agreement to the contrary.



3.5 If the Purchaser is in default of acceptance or if they violate any other cooperation obligations, such as, among other things, timely call-off of the delivery item in accordance with item 3.4. GTS shall have the right to store the delivery item appropriately at the Purchaser's risk and expense. GTS shall have the right to withdraw from the contract, without prejudice to its other rights (including the right to claim damages), if a reasonable grace period granted to the Purchaser for acceptance of the delivery has expired without success.

3.6 GTS reserves the right to perform over- or underdeliveries of up to 10% for customised orders for reasons of manufacture.

3.7 GTS may make partial deliveries for justified reasons.

4. Dispatch, transfer of risk, insurance

4.1 As far as the Purchaser has not made any provision on this, the goods shall be dispatched by an appropriate means of dispatch in the usual packaging.

4.2 Risk shall pass to the Purchaser when GTS hands over the delivery item to the carrier or to the Purchaser directly. If handover or dispatch is delayed for reasons for which the Purchaser is at fault, risk shall pass to the Purchaser on the date of notification that the delivery item is ready for dispatch.

4.3 The delivery item shall only be insured at the Purchaser's request and expense.

5. Prices, payment terms

5.1 All prices stated by GTS shall be EXW Ebbw Vale (Incoterms 2010), including packaging costs, but excluding the respective statutory VAT, shipping costs, and any customs duties.

5.2 GTS shall have the right to issue partial invoices for partial deliveries within the meaning of item 3.6.

5.3 Every invoice shall be due for payment without deduction within 30 days of the invoice date. Payments by the Purchaser shall only be deemed made when GTS is able to dispose of the amount.

5.4 If the Purchaser is in default of payment, GTS shall have the right to claim default interest in the amount of 8 percentage points above the base interest rate. The assertion of further damage caused by delay shall not be affected by this.

5.5 The Purchaser must only assert rights of set-off and retention if they are undisputed or have been legally established.

5.6 If GTS becomes aware of any risk of insufficient capacity on the part of the Purchaser after conclusion of the contract, GTS shall have the right to perform any remaining deliveries only against advance payment or provision of collateral. If the advance payments or collateral have not been provided even following expiry of a reasonable grace period, GTS shall have



the right to withdraw from individual contract or from all affected contracts, each wholly or in part. GTS reserves the right to assert any further rights.

6. Rights of the Purchaser in cases of defects, duty to inspect

- 6.1 The Purchaser's rights in cases of defects of the delivery item shall require that the Purchaser inspects the delivery item without undue delay following delivery and notifies GTS of any defect that becomes apparent in writing without undue delay. If such a defect becomes apparent at a later time, written notification must be made without undue delay upon discovery.
- 6.2 If any notice of defects is given, GTS shall have the right to inspect and test the subject delivery item. The Purchaser shall grant GTS the time and opportunity required for this. GTS may also require the Purchaser to return the rejected delivery item to GTS at GTS' expense. If a notice of defect by the Purchaser proves to be unjustified due to intent or gross negligence, the Purchaser shall be obligated to reimburse GTS for all expenses incurred in this connection (e.g., travel or shipping costs).
- 6.3 If the delivery item is defective at the time of transfer of risk, the Purchaser shall grant GTS a reasonable period of time for subsequent performance and declare that they will reject subsequent performance following the expiry of that period. GTS shall have the right to remedy the defect or deliver a defect-free item at its own discretion. If subsequent performance within a reasonable period of time fails, the Purchaser shall be due the statutory rights regarding defects, with the exception of subsequent performance. The claim to damages or reimbursement of expenses due to defects in accordance with § 437 no. 3 of the German Civil Code (*Bürgerliches Gesetzbuch*; BGB) shall not be affected by the above provision.
- 6.4 The Purchaser's rights in cases of defects shall not apply if any defects occur for reasons caused by the Purchaser, e.g., due to unsuitable or improper use, non-observance of processing methods customary in the industry, unsuitable repairs, improper storage, or due to natural wear and tear, provided that GTS is not responsible for the defects.
- 6.5 The warranty period shall be 12 months from delivery. This shall not include any warranty period for the visual condition of the delivery items (i.e., for discolouration) as well as the function of the adhesive system, for which the warranty period shall be 180 days from delivery.

7. Liability of GTS

- 7.1 Subject to item 7.2, the contractual and statutory liability of GTS shall be limited as follows, no matter the legal grounds:
 - a. GTS' liability shall be limited to the amount of damage that is typically foreseeable at the time of conclusion of the contract for slightly negligent breach of any essential contractual obligations;
 - b. GTS shall not be liable for slightly negligent breach of any non-essential contractual obligations or for slight negligence in any other respects.

Essential contractual obligations shall be obligations that protect the legal positions of the Purchaser that are essential to the contract and that the contract is to grant to the Purchaser in accordance with its content and purpose; essential contractual obligations shall also include any obligations the fulfilment of which makes the proper performance of the contract possible in the first place and compliance with which the Purchaser regularly relies on and may rely on.

7.2 The above limitation of liability shall not apply

- in cases of intent
- in cases of gross negligence on the part of the governing bodies or executive employees
- to any culpable injury to body, life, and health
- in cases of defects that GTS has fraudulently concealed
- in cases of defects in the delivery items, as far as liability is assumed in accordance with the Product Liability Act (*Produkthaftungsgesetz*)
- as far as GTS has assumed any guarantee for the delivery items

7.3 Further claims for damages are excluded.

8. Retention of title

8.1 The delivery item shall remain the property of GTS until all claims of GTS arising from the business relationship with the Purchaser have been paid in full.

8.2 In the case of a current account, the retained title shall be deemed collateral for the balance GTS is entitled to.

8.3 The Purchaser shall only be permitted to sell a delivery item subject to retention of title ("Retained Goods") in their ordinary course of business. The Purchaser shall not be entitled to pledge or assign any Retained Goods as collateral or to make any other dispositions that jeopardise GTS' title in the Retained Goods. The Purchaser hereby assigns any claims arising from resale of the Retained Goods to GTS. GTS hereby accepts this assignment. The Purchaser is revocably authorised to collect any claims assigned to GTS in trust for GTS in their own name. GTS may revoke this authorisation as well as the right to resell if the Purchaser enters default of any essential obligations such as obligations for payment to GTS. If the Purchaser sells the Retained Goods after processing or transformation or after combination with any other goods or together with any other goods, the Purchaser shall assign the claim only to the extent of the partial amount corresponding to the price agreed between GTS and the Purchaser (including any value-added tax) of the Retained Goods in question, plus a security margin of 10% of this price.

8.4 Any processing or transformation of the Retained Goods by the Purchaser shall always be performed for GTS, which shall be deemed the manufacturer within the meaning of § 950 BGB. If the Retained Goods are processed with any other objects that do not belong to GTS, GTS shall acquire shared title in the new object in the ratio of the value of the Retained Goods to the value of the other processed objects at the time of processing.



- 8.5 If any Retained Goods are combined or inseparably mixed or blended with any other objects, GTS shall acquire shared title in the new object in the ratio of the value of the Retained Goods to the value of the other objects at the time of combination, mixing, or blending. If the combination, mixing, or blending is performed so that the Purchaser's item is to be considered the main item, it shall be deemed agreed that the Purchaser transfers shared title in it to GTS on a prorated basis.
- 8.6 The provisions for the Retained Goods shall apply mutatis mutandis to any new items created by processing, combining, mixing, or blending. The Purchaser shall store these new items for GTS with commercial care.
- 8.7 The Purchaser shall provide GTS with all information requested regarding the Retained Goods and any claims the Purchaser has assigned to GTS based on this item 8 at any time. The Purchaser must notify GTS immediately of any access or claims by any third parties to the Retained Goods and hand over any necessary documents. The Purchaser shall inform the third party of GTS' retention of title at the same time. The Purchaser shall bear the costs of any defence against such accesses and claims.
- 8.8 If the Purchaser has entered default with any essential obligations, such as payment to GTS, GTS may, without prejudice to any other rights, withdraw from the contract subject to the conditions of § 323 BGB, and subsequently recover the Retained Goods. In this case, the Purchaser shall grant access to the Retained Goods and surrender these to GTS or GTS' agents immediately.
- 8.9 If deliveries are made to any other legal systems where the above retention of title provision does not have the same collateral effect as it does in Germany, the Purchaser shall do everything in its power to provide GTS with corresponding collateral rights without undue delay. The Purchaser shall cooperate in all measures, such as registration, publication, etc., that are necessary and conducive to the effectiveness and enforceability of such collateral interests.
- 8.10 If the collateral value exceeds the claims of GTS against the Purchaser by more than 20%, GTS shall be obligated to release collateral it is entitled to at the corresponding scope, at its discretion, at the Purchaser's request.
- 9. Product liability**
If the Purchaser sells the delivery item, they shall indemnify GTS against any product liability claims raised by any third parties in the internal relationship as far as they are responsible for the defect giving rise to such claims.
- 10. Industrial property rights**
If the Purchaser specifies how GTS is to manufacture the delivery item by means of specific instructions, information, documents, drafts, or drawings, the Purchaser shall guarantee that GTS does not infringe any third-party rights, such as patents, utility models, copyrights, and any other industrial property rights by manufacturing and selling the delivery item. The Purchaser shall indemnify GTS against any third-party claims asserted against GTS due to such infringement.



11. General provisions

- 11.1 Any amendments of and supplements to the contract and/or these Sales Terms as well as any collateral agreements shall require written form. This shall also apply to any amendment of this requirement of written form.
- 11.2 The remaining parts of the provisions of the contract and/or these terms and conditions shall remain valid even if individual provisions are invalid. The invalid provision shall be replaced by such valid provision that comes as close as possible to the economic and legal intentions of the parties.
- 11.3 The law of the Federal Republic of Germany shall apply to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 11.4 The exclusive place of jurisdiction for any legal disputes arising from or in connection with this contract shall be Siegen.

Siegen, January 2015