



**STANDARD TERMS AND CONDITIONS OF PURCHASE
OF SANKYO TATEYAMA EUROPE BV
AS A COMPANY OF THE ST EXTRUDED PRODUCTS GROUP**

– hereinafter referred to as “STEP-G” –

§ 1 Scope

- 1.1 These Standard Terms and Conditions of Purchase shall apply to all of our – also future – enquiries and orders as well as to all of our – also future – supply agreements and to any other agreements concluded with our suppliers. Any terms and conditions of the supplier are herewith also contradicted in the event of these being communicated to us in a letter of confirmation or in any other way or in the case of us accepting any delivery or services offered by the supplier without contradicting the supplier’s terms and conditions once again.
- 1.2 For the interpretation of these Standard Terms and Conditions of Purchase, their German version shall be deemed to be authoritative, even if translations of these Terms and Conditions of Purchase are made available to the supplier or are signed by the parties.
- 1.3 Oral collateral agreements, deviations from these Standard Terms and Conditions of Purchase as well as amendments thereto or the exclusion of these Terms and Conditions of Purchase must be in writing to be effective.

§ 2 Enquiries, quotations, orders

- 2.1 Our enquiries are non-binding. Our orders are only binding for us if and insofar as we have placed them in writing or confirmed them in writing.
- 2.2 If the supplier deviates from our enquiry in its quotation, it must expressly point this out. Quotations shall be submitted free of charge and shall not be deemed binding on our part. On-site inspections, finalising plans, drawings and comparable activities by the supplier shall not be remunerated without an explicit written agreement to this effect.

§ 3 Prices, payment

- 3.1 Agreed prices are binding. Unless otherwise agreed, the prices include the costs of packaging, transport, insurance, customs duties, taxes and other charges. If delivery is not “carriage paid” due to an agreement between the parties, the supplier must take out transport insurance at its own expense.
- 3.2 Invoices must be submitted separately from the consignment of goods in triplicate, stating the respective destinations, our order numbers and other markings required in the order.

- 3.3 Unless otherwise agreed, payments are due within 30 days of receipt of the invoice. If payment is made within 14 days of receipt of the invoice or goods, we are entitled to a discount of 3%. If the invoice is received before the goods, the due date is determined by the receipt of the goods. If documentation, test certificates or similar documents are part of the scope of services, the aforementioned payment periods shall not commence before the documents have been handed over to us in accordance with the contract.
- 3.4 We are also entitled to make payments by bank transfer or by cheque.

§ 4 Default by the supplier, delivery

- 4.1 Agreed dates and deadlines are binding.
- 4.2 Should circumstances arise which appear to jeopardise proper performance at the agreed time, the supplier must notify us immediately, stating the reasons.
- 4.3 If the agreed time of performance is exceeded, the supplier shall be in default even without prior reminders, unless performance is not rendered due to circumstances for which the supplier is not responsible. If the supplier is in default, it shall bear any additional delivery costs incurred.
- 4.4 Unless otherwise agreed, delivery is “carriage paid”. The supplier shall bear the risk until the goods are handed over at their destination. The quantities, dimensions and weights determined in our factory are decisive for payment.
- 4.5 Unless otherwise agreed, the supplier must provide packaging suitable for the delivery of the goods at its own expense. Our right to issue instructions regarding the packaging to be used in the case of a sale by delivery to a place other than the place of performance remains unaffected. We are entitled, at our discretion, to return the packaging material to the supplier at the supplier's expense and risk, or to dispose of packaging material at the supplier's expense. However, there is no obligation to return or dispose of packaging material. The provisions of the German Packaging Ordinance (Verpackungsverordnung) remain unaffected.
- 4.6 Shipping documents such as bills of lading, delivery notes, packing slips as well as contractually agreed, legally required or customary factory certificates and safety data sheets must be enclosed with each shipment. The order numbers and the markings required in the order must be stated in all documents. On the day of dispatch at the latest, a notification of dispatch as well as a delivery note shall be forwarded to us in duplicate for each individual shipment.
- Ship arrivals must be reported to us 48 hours before arrival. If we do not have proper shipping documents when we receive the goods or if our order numbers are not correctly stated in the shipping documents, all additional costs incurred as a result shall be borne by the supplier. Section (§) 4, paragraph 8 of these Standard Terms and Conditions of Purchase shall apply accordingly.
- 4.7 The supplier is only entitled to partial performance with our prior consent. Our right to demand partial performance from the supplier remains unaffected.

- 4.8 The supplier is not entitled to provide its service before the agreed time of performance. In the event of premature delivery, we have the right to refuse acceptance of the goods or to return the goods to the supplier – at the supplier's expense and risk – or to store the goods until the agreed time of performance.

§ 5 Declarations on the origin of the goods and the RoHS Directive

- 5.1 In the event that the supplier makes declarations regarding the origin of the goods, the supplier is obliged to enable the verification of the proof of origin by the customs authorities and to provide the necessary information as well as any necessary confirmations. The supplier is obliged to compensate us for any damage caused by the fact that the declared origin is not recognised by the competent authority as a result of incorrect certification or lack of the possibility of verification.
- 5.2 The supplier undertakes to check its goods consignments for prohibited substances in accordance with the Directive on the Restriction of the Use of Certain Hazardous Substances (“RoHS”). Upon request, the supplier shall provide a written declaration of conformity for the materials, components and other parts.

§ 6 Workmanship and activities at the customer's plant

- 6.1 Deliveries and services of the supplier are to be carried out in such a way that they comply with the contractual agreements, the law on technical equipment, the relevant accident prevention regulations, the occupational safety, environmental and other regulations, the relevant technical standards as well as the generally recognised rules of technology in general. During execution, the supplier must ensure that work is carried out in the most environmentally friendly manner possible, with the greatest possible conservation of resources and the greatest possible avoidance of emissions. We are entitled to demand a change in execution even after conclusion of the contract, unless the change in execution demanded by us is unreasonable for the supplier.
- 6.2 Persons who work within our company in fulfilment of the supplier's obligations are subject to the provisions of our company regulations as well as the accident prevention, occupational safety, environmental and other regulations applicable in our company. Hazardous substances may only be used within our plant after consultation with us and must be properly labelled.
- 6.3 The supplier may not use, duplicate or make available to third parties any design documents provided by us for the manufacture of the delivery item for purposes outside the contract. The execution documents shall be returned to us at our request, at the latest after the supplier has performed the contractual services and executed the delivery.
- 6.4 The supplier must provide us with plans, execution drawings, technical calculations and other records and documents relating to the goods, insofar as we require these records and documents for the use, maintenance or repair of the goods or insofar as this has been agreed by the parties. On request, the

supplier must also provide us with spare parts drawings with sufficient information for the procurement of spare parts. Upon surrender or delivery of the records, documents and drawings, these become our property.

- 6.5 Furthermore, the supplier must submit all documents and records relating to the goods to us for inspection – even before delivery of the goods – insofar as this is necessary for monitoring and checking the conformity of the goods with the contract. Any approval by us of such records and documents does not release the supplier from its responsibility for the contractual conformity of its services, unless we insist on the execution requested by us despite reservations expressed to us by the supplier.
- 6.6 Tools, master drawings and other materials that are invoiced to us become our property upon payment. They shall be kept by the supplier for us free of charge and returned to us upon request.
- 6.7 Materials provided by us remain our property. Any processing or transformation shall be carried out for us without any obligation on our part. The provided material must be stored clearly and separately from other items and must be marked as our property. The supplier must insure it sufficiently against fire, water and theft at its own expense.

§ 7 Scrap

- 7.1 If scrap – foreseeable or unplanned – arises during the processing of materials provided by us, this remains our property. We are entitled to the asset embodied in these scrap metals. The supplier shall collect them free of charge, store them separately from other items in a suitable form and mark them as our property.
- 7.2 In the case of an unplanned accumulation of scrap metal, such as set-up scrap, processing scrap or faulty primary material, the supplier is obliged to inform us immediately, stating the reason for the waste, the quantity and the party responsible.
- 7.3 Defective primary material, e.g. aluminium profiles delivered in a damaged condition, which can no longer be used after consultation with our quality assurance department, must be returned to us immediately, unless otherwise agreed with us. The material must be marked accordingly.
- 7.4 With regard to material that is damaged or incorrectly manufactured at the supplier's premises, we grant a scrap quota of 1% of the delivered primary material. If this quota is exceeded, the supplier will manufacture the commissioned parts with newly delivered material at no cost and will assume the costs for the damaged primary material.
- 7.5 We will agree separately with the supplier whether and, if applicable, under what conditions the scrap produced is to be returned to us or whether it will be recycled by the supplier. If the supplier arranges the recycling on our behalf, it must credit us in full with the proceeds obtained in this respect upon presentation of appropriate evidence. Any minimum proceeds shall be determined separately in individual contracts with the supplier.

§ 8 Inspection of the goods and quality assurance measures, acceptance

- 8.1 We are entitled to enter the premises of the supplier after prior notice in order to inspect the goods and the production process – even before completion of the production process. If the goods are on the premises of a third party, the supplier shall take all measures to enable us to inspect the goods. Any defects detected during the inspection of the goods must be remedied by the supplier.
- 8.2 We are entitled at any time to subject the supplier's quality assurance measures and systems to an inspection. For this purpose, the supplier shall grant us access to its premises after prior notice and provide us with all information relevant for the assessment of the quality assurance measures and systems. Any provisions in quality assurance agreements shall remain unaffected.
- 8.3 If acceptance is required in accordance with applicable statutory provisions or by agreement, a formal acceptance shall be carried out and an acceptance protocol shall be drawn up. The execution of a formal acceptance with the preparation of an acceptance protocol is the standard case here. Acceptance is effected by mutual signing of the protocol.

§ 9 Material defects and defects of title

- 9.1 The supplier is obliged to provide us with contractual goods that are free from material defects and free from industrial property rights and other rights of third parties.
- 9.2 If the supplier delivers several products of the same type, we are only obliged to carry out random checks. Notification of defects that are identifiable via a proper inspection of the goods after delivery must be made within one month of delivery. Other defects must be reported by us within one month of their discovery. Defect rights for defects that become known at acceptance are not excluded even if a corresponding reservation was not declared at acceptance.
- 9.3 If a material defect becomes apparent within six months of the transfer of risk, it shall be assumed that the item was already defective at the time of the transfer of risk, unless this assumption is incompatible with the nature of the item or the defect.
- 9.4 In case of delivery of goods which are not free of defects, the supplier shall, at our discretion, either repair or replace the goods. If the supplier allows a reasonable grace period to elapse without having repaired or delivered defect-free goods, we have the right to remedy the defect ourselves or have it remedied by a third party at the supplier's expense. In addition, the statutory provisions shall apply.
- 9.5 The supplier's warranty obligation shall not be affected by any approval of plans, implementation drawings, technical calculations, etc. issued by us.
- 9.6 The limitation period for claims for defects is three years, unless the law provides for longer limitation periods. The limitation period for claims for defects in spare parts purchased from the supplier shall not commence until the spare parts have been installed. However, the limitation period ends at the latest

five years after delivery.

§ 10 Exemption from liabilities arising from producer and product liability, liability insurance

- 10.1 The supplier must indemnify us from any liabilities to third parties arising from producer liability or product liability, insofar as the supplier is responsible for the product defect that caused the liability.
- 10.2 The supplier undertakes to take out and maintain liability insurance with an appropriate sum insured for personal injury, property damage and financial losses, whereby the sum insured shall amount to at least EUR 10,000,000.00.
- 10.3 The supplier must immediately provide proof of said insurance.

§ 11 Right of set-off and retention, prohibition of assignment

- 11.1 The supplier shall only be entitled to a right of set-off and a right of retention in respect of undisputed or legally established claims arising from the same contractual relationship with the customer.
- 11.2 The supplier is not entitled to assign its claims against the customer to any third party. All rights under section 354a German Commercial Code (HGB) remain unaffected.
- 11.3 The supplier is only entitled to assign claims with our consent.

§ 12 Liability

- 12.1 We shall be liable without limitation in accordance with the statutory provisions for damage caused by intent or gross negligence on the part of our legal representatives or senior executives, as well as for personal injury.
- 12.2 In the event of intent or gross negligence on the part of simple vicarious agents as well as in the event of any slightly negligent violation of essential contractual obligations which are indispensable for the achievement of the purpose of the contract and on whose strict compliance the supplier must therefore be able to rely ("cardinal damages"), in accordance with the statutory provisions our liability shall be limited to such damages as were foreseeable for us in terms of their type and scope at the time of concluding the contract.
- 12.3 In all other respects, claims of the supplier for compensation for direct or indirect damage – irrespective of the legal grounds, including any claims for compensation for breach of full pre-contractual obligations and for tort – are excluded.

§ 13 Confidentiality

- 13.1 The parties are obliged to keep confidential information received or learned from the other contracting

- party confidential. The parties may only disclose confidential information to employees and consultants to the extent necessary for the proper handling of the contractual relationships. The parties are obliged to obtain an undertaking from the aforementioned employees and consultants to maintain secrecy and to provide written proof of this to the other party upon request.
- 13.2 The obligation of secrecy does not apply to such information which was already publicly known at the time of its transmission to the contractual partner or which became publicly known after its transmission to the contractual partner without the latter's intervention.
- 13.3 The disclosure of confidential information and the possible transmission of corresponding documents shall not establish any rights to industrial property rights, know-how or copyrights belonging to the disclosing or transmitting party. The parties agree that the disclosure or transmission of confidential information does not constitute a prior publication or right of prior use within the meaning of the German Patent and Utility Model Act (Gebrauchsmustergesetz).
- 13.4 Insofar as the parties have concluded a separate confidentiality agreement, this shall apply in addition to the aforementioned provisions.

§ 14 Final provisions

- 14.1 Insofar as the contract or these Standard Terms and Conditions of Purchase and Delivery contain loopholes, it is agreed that such loopholes shall be filled by those legally effective regulations which the contracting parties would have agreed upon in accordance with the economic objectives of the contract and the purpose of these Standard Terms and Conditions of Purchase and Delivery if they had been aware of the loophole.
- 14.2 The place of performance for the delivery of the goods is the destination named by us. The place of performance for our payments is the location of our branch office which has concluded the corresponding contract.
- 14.3 If the customer is a merchant, a legal entity under public law or a special fund under public law or if it has no general place of jurisdiction in the Federal Republic of Germany, the place of jurisdiction for all possible disputes arising from the business relationship between STEP-G and the supplier is, at the discretion of STEP-G, either the latter's registered office – currently Vogt – or the registered office of the supplier. In these cases, however, the registered office of STEP-G – currently Vogt – is the exclusive place of jurisdiction for any legal action against STEP-G. Mandatory statutory provisions on exclusive places of jurisdiction remain unaffected by this provision.
- 14.4 All relations between STEP-G and the supplier are exclusively subject to the law of the Federal Republic of Germany, excluding German international private law and its choice of law clauses. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) does not apply.