

**General Terms and Conditions (GTC)
of the company Güde GmbH, Dieselstraße 8, 58840 Plettenberg
-Terms and Conditions of Purchase- Status: June 2016**

1. Scope of Application

1.1 The legal relationships between Güde GmbH, Dieselstraße 8, 58840 Plettenberg, - hereinafter referred to as Güde - and the supplier are governed exclusively by these General Terms and Conditions of Purchase and any other agreements concluded between the contracting parties. Supplier's general terms and conditions of business that conflict with or deviate from our terms and conditions of purchase shall not apply even if they have not been expressly contradicted in the individual case.

1.2 Deviations from these General Terms and Conditions are only effective if they are confirmed in writing.

2. Order

2.1 Orders, delivery call-offs as well as their changes and additions shall be made in writing, by fax, electronically or by telephone.

2.2 Each order must be confirmed in writing by the Supplier without delay. If the supplier does not accept the order within 2 weeks of receipt, Güde is entitled to revoke the order. Delivery call-offs also become binding if the supplier does not object to them to Güde within 48 hours of their receipt.

2.3

Güde shall be entitled to demand reasonable changes in the design and execution of the delivery item from the supplier at any time. The contractual partners will agree on their effects in a corresponding written supplementary agreement.

3. Prices and Terms of Payment

3.1 The price stated in the order is binding. In the absence of a different agreement, delivery shall be made free of charge to the place of use specified by Güde, including freight, packaging and ancillary costs. The return of the packaging requires special agreement.

3.2 Payment shall be made within 14 days after receipt of goods in accordance with the contract and receipt of the proper and verifiable invoices with a 3% discount or up to 30 days net cash. Special agreements for steel deliveries, services and investments are made individually. In the event of acceptance of early deliveries, the due date is based on the agreed delivery date.

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3.3 Payments are made in cash, by bank transfer or by cheque.

3.4 In the event of defective deliveries, Güde shall be entitled to withhold payment on a pro rata basis until proper subsequent performance.

3.5 The assignment of the claim against Güde and its transfer to third parties for collection require the prior written consent of Güde, which Güde will not unreasonably refuse. This does not apply to the assignment within the framework of an extended retention of title, which Güde already generally agrees to.

3.6

A price increase that provides for an increase in the remuneration for goods or services that deviates from the price at the time of conclusion of the contract is invalid. Güde reserves the right to terminate the contract.

4. Delivery Dates and Deadlines

4.1 Unless otherwise agreed, the delivery dates and deadlines specified in the order are binding. The decisive factor for compliance with the delivery date or delivery period is the receipt of the goods by Güde or another delivery address to be specified by Güde. Unless delivery "free of works" has been agreed anyway, the supplier must make the goods available in good time, taking into account the usual time for loading and shipping. In the case of call-off orders, the scope and time of the individual call-offs is determined by Güde.

4.2 In the event of non-compliance with the agreed delivery dates, the Supplier does not need to be given notice of default in order to assert the resulting damage to Güde. In addition, in this case, Güde is entitled to withdraw from the contract and claim damages for non-performance.

4.3

If, after the conclusion of the contract, it is likely or actually impossible for the Supplier to comply with the agreed delivery time due to operational disruptions, a shortage of raw materials, semi-finished products or as a result of force majeure, the Supplier must inform Güde of this in writing immediately and in any case in good time so that Güde can stock up elsewhere on the agreed delivery date. In the event of failure to notify or be delayed, the Supplier shall be liable for any delays and their consequences.

5. Quality and documentation

5.1 The Supplier shall comply with the recognised rules of technology and the agreed technical data for its deliveries. Changes to the delivery item require the prior written consent of Güde.

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5.2 The Supplier undertakes to comply with the standards, laws and other safety regulations applicable to the delivery items. He must indemnify Güde from all public and private law claims arising from a violation of these regulations.

5.3 With regard to the procedures to be followed by the supplier for quality assurance of his deliveries, the separate quality agreement for suppliers of Güde shall apply in each case.

6. Notification of defects

Güde shall immediately notify the supplier in writing of defects in the delivery that Güde discovers in the course of normal business processes at the beginning of the processing or use of the goods and assert its rights to defects in accordance with § 437 of the German Civil Code (BGB). In this respect, the supplier waives the objection of late notification of defects.

7. Claims for defects

7.1 In the event of delivery of defective goods by the supplier, the supplier must be given the opportunity to sort out or improve before the start of production, unless this is unreasonable for Güde. If the supplier is unable to do this or if he does not comply immediately, Güde may withdraw from the contract and claim damages for non-performance and return the goods at the supplier's risk. The costs incurred as a result shall be borne by the supplier. If the same goods are repeatedly delivered defectively, Güde is entitled to withdraw from the scope of delivery that has not been fulfilled after a written warning in the event of another defective delivery.

7.2 The warranty ends with the expiry of 36 months after the order has been fulfilled by Güde. Recourse claims by Güde against the supplier due to material defect claims pursuant to §§ 478, 479, 633 BGB remain unaffected.

7.3 Unless otherwise stipulated in the above, warranty claims are governed by the statutory provisions. Quality guarantees must be expressly designated as such in writing.

8. Liability

8.1 Unless otherwise stipulated in these Terms and Conditions, the Supplier shall be obliged to compensate Güde for the damage incurred directly or indirectly as a result of a defective delivery, due to violation of official safety regulations or for any other legal reasons attributable to the Supplier as follows.

8.2 In principle, the obligation to pay damages shall only exist if the supplier is at fault for the damage caused by him.

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8.3 If third parties assert claims against Güde based on strict liability which are based on the performance of the supplier and could also be asserted by the third party against the supplier, the third party shall indemnify Güde in the internal relationship to the extent that it would also be directly liable to the third party. For the compensation of damages between Güde and the supplier, the principles of § 254 BGB apply mutatis mutandis. This also applies in the event of a direct claim against the supplier.

8.4 The obligation to pay compensation is excluded to the extent that Güde has effectively limited its liability towards its customers. In doing so, Güde will endeavour to agree on limitations of liability to the benefit of the supplier to the extent permitted by law.

8.5 The Supplier shall be liable for measures to avert damage (e.g. recalls) to the extent that it is legally obliged to do so.

8.6

Insofar as Güde intends to make a claim against the Supplier in accordance with the above provisions, Güde shall inform and consult the Supplier immediately and comprehensively. He shall be given the opportunity to investigate the case of damage. The parties to the contract will agree on the measures to be taken, especially in settlement negotiations.

8.7 The Supplier undertakes to maintain an appropriate product liability insurance; if the supplier does not have sufficient insurance, further claims for damages by Güde remain unaffected.

9. Intellectual Property Rights

9.1 The Supplier shall be liable for all claims arising from the infringement of applications for intellectual property rights (property rights) arising from the contractual use of the delivery items.

9.2 The Supplier shall indemnify Güde and its customers against all claims arising from the use of such property rights.

9.3 This shall not apply to the extent that the Supplier has manufactured the delivery items in accordance with drawings, models or other descriptions or information provided by Güde that are equivalent to these and does not know or does not need to know in connection with the products developed by the Supplier that this infringes property rights.

9.4 At the request of Güde, the Supplier shall notify Güde of the use of published and unpublished own and licensed property rights and applications for property rights on the delivery items.

9.5 Without prejudice to the above para. 9.1 and 9.2, the contracting parties undertake to inform themselves immediately of any risk of infringement and alleged infringement that become known and to give each other the opportunity to oppose such claims amicably.

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10. Production documents and aids

The production documents provided to the supplier are entrusted to him as our property exclusively for the purpose of carrying out our requirements. They may not be used, duplicated or made available to third parties without our express permission. Furthermore, they must be returned to us free of charge without request after the order has been executed.

The basis for all standards (DINs, EN ISO, NFE, ASME, etc.) is the current edition of the relevant standardization.

11. Confidentiality

11.1 The contracting parties undertake to treat all non-obvious commercial and technical details that become known to them through the business relationship as trade secrets.

11.2 Subcontractors shall be obliged accordingly.

11.3 The supplier may only advertise with the business relationship with the prior written consent of Güde.

12. General provisions

12.1

If one party to the contract ceases payment or if insolvency proceedings or an out-of-court arrangement procedure is applied for over its assets, the other party is entitled to withdraw from the contract for the unfulfilled part.

12.2

Should any provision of these Terms and Conditions or the further agreements made be invalid, this shall not affect the validity of the remainder of the contract. The contracting parties undertake to replace the invalid provision with a legally effective one that comes as close as possible to what is economically intended.

12.3 The registered office of Güde is the place of performance and jurisdiction.

12.4 The law of the Federal Republic of Germany shall apply exclusively. The application of the UN Convention of 11.04.1980 on Contracts for the International Sale of Goods (CISG) is excluded.