

TERMS AND CONDITIONS OF SALE

The following Terms and Conditions of Sale (the "Terms") are applicable to the provision of all goods supplied and/or services rendered (the "Goods") by Ferro Belgium BVBA. ("Seller"), to any purchaser, or in the case of sample products or material, recipient, thereof ("Buyer").

1. **GENERALLY** - Seller's offer for sale of Goods, and Buyer's acceptance of any such offer is governed exclusively by these Terms unless otherwise agreed in writing, signed by a duly authorized director or employee of Seller. If an order is deemed to be an offer by Buyer, Seller's acceptance of such offer is expressly conditioned on Buyer's assent to these Terms. Any additional, different, or conflicting terms proposed by Buyer in any offer, acceptance, confirmation (including any Buyer purchase order or specifications) or otherwise, (a) are requests for material alterations to these Terms, (b) are hereby rejected and objected to by Seller, and (c) will not be binding in any way on Seller.

2. **PRICE; PAYMENT** - The Goods are hereby offered for sale at prices and terms to be established by Seller and specified on Seller's invoice, order confirmation, acknowledgment or otherwise agreed to by the parties in writing. Prices are quoted net, which means that any and all applicable discounts and/or other price reductions are included. The price does not include costs of packaging, insurance and freight. All orders are subject to credit approval by Seller. Seller reserves the right to withhold shipment or to require other adequate assurances of performance of Buyer's payment obligations (including, but not limited to, prepayment and security amounting to the purchase price) as Seller in its discretion may require, notwithstanding any order confirmation issued by Seller. This request shall be made in writing. If Buyer does not pay the prepayment or security within due time after such request, Seller has the right to terminate (meaning that Ferro, at its discretion, either has the right to rescind (ontbinden) and/or to cancel (opzeggen)) the agreement forthwith.

2a. **STATEMENTS OF ACCOUNT AND PAYMENTS** - Buyer shall verify the correctness and completeness of statements of account, in particular balance confirmations, as well as invoices, notes, and settlements of accounts. Objections to statements of account shall be given in writing within one month from the date of the respective statement. Any other objections shall be made without undue delay. Failure to make timely objections shall constitute approval of the statements of account.

Buyer will pay all invoices of Seller within thirty (30) calendar days, unless the invoice of Seller states a different payment term, in which case such term applies. The aforementioned payment terms must be considered to be final (fataal). If no payment is made or payment is not made on time, Seller can charge interest from the date payment should have been made until the date payment is made in full. The rate of interest shall be equal to the statutory commercial interest rate (wettelijke handelsrente) plus eight percent. All payments made by Buyer shall be allocated first to the reduction of interest and then to the reduction of the principal sum due.

3. **TAXES** - Seller's price for Goods is exclusive of any Value Added Tax (VAT), Federal, state, or local sales, use, or excise taxes levied upon, or measured by, the sale, the sales price, or use of Goods required in the performance of any order. Seller will list separately on its invoice any such taxes applicable to any such Goods or transaction, and payable by Buyer, with respect to which Buyer does not furnish to Seller evidence of exemption.

4. **DELIVERIES** - Unless Seller and Buyer expressly agree otherwise, all deliveries of Goods shall be ExWorks (as referred to in the latest version of the INCOTERMS, published by the International Chamber of Commerce, at the time of Seller's offer or Seller's acceptance of Buyer's offer) Seller's production facility. If Seller and Buyer agree on any other trade term originating from the INCOTERMS, the latest version of that term at the time of Seller's offer or Seller's acceptance of Buyer's offer, will apply.

Seller will use commercially reasonable efforts to meet the delivery dates, specifications, and quantities as set forth in Buyer's purchase order. The date of delivery shall in every case be stated by Seller as an approximation and shall not be a final deadline (fatale termijn). If an agreed upon delivery date is not met by Seller, Buyer has to set in writing a reasonable deadline for final delivery. Seller will not, however, be liable for damages or delays in delivery due to causes beyond its reasonable control. In the event of failure of Buyer to accept a delivery or delayed delivery, the Seller shall have the right to cancel such delivery and all outstanding deliveries and to charge Buyer with any loss of profit suffered and expense incurred. Each part delivery shall be considered a separate transaction which will not affect the rights or liabilities of either party under the contract as to the remaining deliveries. Any deficiency or surplus not exceeding 10 per cent of the quantity of Goods ordered shall be considered as due execution of the contract and charged pro rata.

4a. **NON-CONFORMING GOODS** - Upon delivery of the Goods, Buyer shall immediately inspect the Goods. Unless Buyer provides Seller with written notice of any claim for shortage, damage, defect or nonconformity in the Goods within ten (10) days after delivery, such Goods shall be deemed finally inspected, checked and accepted by Buyer and Buyer's failure to provide such notice shall be deemed to constitute a waiver of any such claim.

5. **PRODUCT WARRANTIES** - Seller warrants to Buyer that at the time of delivery Seller will have good title to all Goods supplied to Buyer and the right to convey title to such Goods to Buyer free and clear of all liens. Seller further warrants to Buyer, to the best of its knowledge, that all such Goods will conform to the specifications, drawings, samples, or other description furnished or specified by Seller or agreed to in writing by Seller, and will be free from defects in material and workmanship. Buyer will not be relieved of its obligation to verify the suitability of Seller's Goods for the use or application intended by Buyer. Seller reserves the right to make technical modifications in the course of its product development. Seller further warrants that any services it provides hereunder will be performed in a workmanlike manner. The warranties stated in this Clause 5 are the only representations and warranties Seller has given Buyer in connection with the provision of Goods to Buyer. Except as set forth in this Clause 5, Seller has not made and hereby expressly disclaims any other or further representation or warranty, either express or implied, concerning the Goods. The warranties given in this clause 5 replace all warranties Seller might have given Buyer, including warranties of merchantability and warranties of fitness for intended use. All other warranties Seller or anyone purporting to represent Seller may have given, or which may be provided or implied by law or commercial practice, are hereby excluded.

5a. **TOOLS AND MODELS** - Tools and models remain property of Seller even if Buyer pays for them in full or partially.

5b. **PROPERTY OF GOODS** - All Goods shall remain the property of Seller until Buyer has paid in full all sums that are or will be due to Seller in connection with those Goods, including but not limited to the purchase price, interest and taxes payable under these Terms.

Until the property of the Goods has passed to Buyer, Buyer may not lease the Goods to third parties, make the Goods available for use by third parties, agree any charge or pledge on the Goods or cause any other encumbrance on the Goods to be created in favour of third parties. Buyer is entitled to sell or deliver the Goods of which Seller is the owner to third parties or install such Goods only in so far as is necessary in the context of the Seller's ordinary business activities. Buyer is obliged to undertake every reasonable effort to ensure that these powers or, as appropriate, the exercise of these powers do not prevent Seller in any way from exercising its ownership rights and its right to repossess the Goods and, where necessary, to uninstall them for that purpose.

If and for as long as Seller is the owner of the Goods, Buyer shall immediately inform Seller in writing if and when the Goods or the items in which the Goods have been installed are seized or attached or if any claim is otherwise made on the Goods or any part of them. Buyer shall also, on Seller's first request, inform Seller where the Goods are located.

6. TRADE COMPLIANCE

(a) **EXPORT CONTROL REGULATIONS** - The Goods that are the subject of this document and related technology are subject to export and re-export restrictions under U.S. and other countries' export control and sanctions regulations, including without limitation the U.S. Export Administration Regulations, regulations of the U.S. Office of Foreign Asset Control and comparable laws and regulations of other countries, which may require U.S. or other government approval for any re-export or retransfer ("Export Control Regulations"). Buyer warrants that it (i) will adhere to and comply with (x) all applicable Export Control Regulations and (y) any applicable terms, conditions, procedures and documentation requirements made known to Buyer that may be promulgated by Seller from time-to-time to comply with the Export Control Regulations; (ii) will not, directly or indirectly through a third party, ship Seller materials to the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria, Sudan or any other country subject to trade embargoes in violation of Export Control Laws. Buyer acknowledges that Seller will not proceed with a shipment when Seller knows that the Seller's Goods in that shipment are destined for a sanctioned country. Buyer represents that neither Buyer nor any of its principals, officers, or directors, or any person or entity known to Buyer to be directly involved in this transaction as freight forwarder, customer, end-user, consultant, agent or otherwise is designated on any of the U.S. government restricted parties lists, including without limitation the U.S. Commerce Department Bureau of Industry and Security Denied Persons List, Entity List or Unverified List, the U.S. Treasury Department Office of Foreign Asset Controls Specially Designated National and Blocked Persons List or the U.S. State Department Directorate of Defense Trade Controls Debarred Parties List or restricted parties lists of any country having jurisdiction over Buyer or the transaction involving the Goods that are the subject of this document or related technology.

(b) **ANTIBOYCOTT PROVISIONS** - Buyer will not request of Seller information or documentation where the purpose of such request is to support, give effect to or comply with a boycott of any country in contravention of the laws or policies of the United States, including but not limited to the Arab League boycott of Israel. Seller hereby rejects any such request by Buyer and will report receipt of any such request to the relevant U.S. government office, as required by law.

(c) **ANTICORRUPTION/ANTIBRIBERY** - In relation to any transaction involving the Goods that are the subject of this document or related technology, Buyer shall not seek to obtain or retain business or gain any other advantage by making or offering to make any payment of money or by providing or offering to provide anything of value, directly or indirectly, to: (i) any government official; or (ii) any non-governmental person, in either case with the intent that such official or person will perform their responsibilities improperly. Buyer warrants that it will comply with the anticorruption laws and anti-bribery laws of any country having jurisdiction over Buyer or the transaction involving the Goods that are the subject of this document or related technology, and will in all cases comply with the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

(d) **NONCOMPLIANCE** - In the event that Seller reasonably believes that any provision of this Clause 6 has or may have been breached, Buyer shall cooperate fully with Seller's investigation to clear the matter and Seller shall not be obligated to sell or provide Goods or technology or take any other act in furtherance of any transaction or agreement while such investigation is pending and such suspension or forbearance by Seller shall not constitute breach of any obligation in respect of the transaction to which this document applies or otherwise.

7. **LIMITATION OF LIABILITY AND INDEMNITY** - Seller's liability and Buyer's exclusive remedy for any cause of action arising out of the sale, delivery, use, or non-delivery of Goods, is expressly limited to replacement of non-conforming Goods, or payment not to exceed the invoiced purchase price of the Goods in relation to which damages are claimed, notwithstanding that Seller will not exclude or limit its liability to the extent the same may not be excluded or limited as a matter of law.

Buyer shall indemnify Seller, its affiliates, directors, employees, agents and any other representatives of Seller against any claim, loss, damage or cost arising out of or in connection with Buyer's unloading, storage, handling, sale, use or disposal of the Goods.

8. **FORCE MAJEURE** - Except for the payment of monies owed before or at the time of the event, condition or circumstance as described hereinafter, neither party will have any liability for any breach or failure to perform that is the result of an event, condition or circumstance beyond that parties' reasonable control, including, without limitation, acts of God, war, insurrection, terrorism, fire, inclement weather, strikes, boycotts, or other similar circumstances. If a party becomes aware of any such event, condition or circumstance, then such party will promptly advise the other party and both parties will, to the extent reasonable, cooperate to improve or undo the circumstance or condition as quickly as possible.

9. **CHANGES OF REGULATORY FRAMEWORK** - In the event of changes in the laws and regulations that apply to the goods, or changes in application, interpretation or enforcement of laws and regulations applicable to the goods, Ferro will inform Buyer within a reasonable period of such changes. However, Ferro provides no warranties as regards such changes or the suitability of the goods for the Buyer's business in the circumstances of such changes or the impact the changes may have on the Buyer's business. Seller disclaims and shall have no liability to Buyer or any third parties arising out of or related to such changes.

10. **GOVERNING LAW** - The sale of Goods hereunder shall be governed, interpreted and construed by and in accordance with the internal substantive laws of Belgium without regard to the conflict of law provisions thereof, and expressly excluding the United Nations Convention on Contracts for the International Sale of Goods. Any dispute arising hereunder shall be resolved in the competent courts in Brussels, which courts shall have exclusive jurisdiction and venue for resolution of all such disputes, and the parties hereto do hereby irrevocably submit to such jurisdiction and venue and waive any objection to the contrary hereafter.

11. **SEVERABILITY** - Should any of these provisions be deemed wholly or partially invalid, this shall not affect the validity of the remaining provisions.

12. SELLER GROUP - Seller shall be entitled to carry out this contract in whole or in part through one or more of the business enterprises of the Seller group of companies, who shall be authorized to act on Seller's behalf, even though Seller continues to be Buyer's sole contracting party.

13. COMPLIANCE WITH LAWS (OTHER). Buyer shall comply with all applicable laws, regulations, and other legal requirements regarding the export, import, sale, distribution, marketing, and service of the Goods and related technology, including without limitation, tax and foreign exchange legislation or regulations and the obligations under Clause 6 of these Terms.

14. COMPLETE AGREEMENT - These Terms contain the complete and final agreement between Buyer and Seller and supersede all other and further agreements, representations, warranties, covenants, promises, and other contractual obligations between the parties in respect of the subject hereof unless otherwise agreed to in a writing signed by Seller. These Terms may be amended, modified or waived only by a written instrument that refers expressly to this paragraph and is signed by an authorized representative of Seller. E-mails and other electronic or on-line messages of Buyer shall not be deemed a means of modifying or amending these Terms. These present Terms and Conditions annul and supersede any formerly agreed conditions and are applicable as from 1 July 2012.

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