

TERMS AND CONDITIONS OF PURCHASE

The following general Terms and Conditions of Purchase (these “Terms”) are applicable to the purchase of all goods and/or services (“goods or services”) by Ferro Performance Pigments Belgium NV or its subsidiaries (“Buyer”) from any seller, supplier or service provider (“Seller”).

1. **GENERALLY** – Buyer’s purchase order for goods or services, the terms of which are expressly incorporated herein by reference, and the sale of such goods or services to Buyer by Seller (“Order”) are governed exclusively by these Terms unless otherwise agreed in a writing signed by Buyer. Any additional, different or conflicting terms proposed by Seller in any order acknowledgement or otherwise are deemed requests for material alterations to these Terms, are hereby objected to and rejected and will not be binding on Buyer. These Terms do not constitute an acceptance by Buyer of any offer to sell, quotation or proposal notwithstanding any reference in these Terms. Seller will be deemed to have accepted an Order and these Terms if and when Seller begins any work under the relevant Order or issues an order acknowledgement.

2. **PRICE AND PAYMENT** – The price for goods or services will be as indicated in an Order or as agreed in writing and signed by Buyer. Unless otherwise specified on the front of an Order or as agreed in writing and signed by Buyer, Buyer will pay the Seller for the goods or services within 60 days.

3. **TAXES** – Seller’s price will be exclusive of any federal, state, or local sales, use, VAT or excise taxes levied upon, or measured by, the sale, the sales price, or use of goods or services required in the performance of an Order. Seller will list separately on its invoice any such tax applicable to any such goods or services or transaction that is payable by Buyer, with respect to which Buyer does not furnish to Seller evidence of exemption.

4. **EXTRA CHARGES** – Seller will make no additional charges of any kind, including charges for travel, entertainment, postage, clerical support, or other out of pocket expenses, boxing or cartage, unless Buyer has explicitly consented to such charges in writing. The price shown on the Order will cover the specified unit or measure for the goods or services ordered (net weight, piece count, identified service, etc).

5. **DELIVERIES, SPECIFICATIONS, AND QUANTITIES** – Time is of the essence for the delivery of the goods and performance of the services, as applicable. Seller will meet the delivery dates, specifications, and quantities, and for services, the performance dates, as set forth in the order.

If Seller does not exactly comply with the quantity and delivery schedule of the Order for any reason, Buyer may, at its option, either approve a revised delivery schedule or terminate the Order without liability towards Seller. If Seller delivers goods in advance of schedule or in quantities greater than those specified in the Order Buyer may, at its option, either (i) return all or part of the nonconforming deliveries to Seller at Seller’s expense, (ii) pay for such goods at the time Buyer would have been obligated to pay for them if they had actually been delivered as and when scheduled, (iii) hold such goods for Seller’s account until the scheduled delivery date, and/or (iv) charge Seller for any railroad demurrage or other expenses incurred in connection with the delivery.

6. **TERMINATION FOR CONVENIENCE** – Buyer reserves the right to terminate the Order by written notice, or any part thereof, for its sole convenience. In the event of such termination, Seller shall immediately cease all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease any work related to the Order.

7. **PRODUCT/SERVICE WARRANTIES** – Seller warrants to Buyer that at the time of delivery Seller will have good title to all goods supplied to Buyer under the Order and the unencumbered right to convey good title to such goods to Buyer as contemplated by the Order. Seller further warrants to Buyer that all such goods will conform to the specifications, drawings, samples, or other description furnished or specified by Seller or Buyer, will be merchantable, will be free from defect in material and workmanship, and (to the extent known or reasonably understood by Seller) will be fit and sufficient for the purposes for which Buyer purchased such goods. These warranties are in addition to those implied by or available at law.

Seller warrants that all services performed hereunder shall be performed by employees or agents of Seller who are experienced and skilled in their profession. Seller further warrants that all services performed under the Order shall conform to the requirements of the Order and shall be completed in a professional, workmanlike manner, in a timely and on an economical basis and in accordance with sound professional procedures and standards in compliance with best industry practices. Buyer may at its option

either (i) require correction or re-performance of any defective services or (ii) require replacement of non-conforming services at no additional costs to Buyer.

8. NON-CONFORMING GOODS – Buyer will have the right to inspect goods delivered by Seller. Goods will not, however, be deemed to have been accepted by Buyer until such goods are used, processed, stored, held or commingled by Buyer so that the same cannot be returned to the Seller in the same condition in which received by Buyer. If Buyer determines that any of the goods delivered by Seller under the Order are defective in material or workmanship or otherwise are not in conformity with either the specification furnished to Seller or the other requirements of the Order, then Buyer may reject and return such goods to Seller at Seller's expense. Such right is in addition to any other rights that Buyer may have under any other provision of the Order. Payment for goods by Buyer will not be deemed an acceptance of the goods and all warranties of Seller under this Order will survive delivery and payment for the goods.

9. CHANGES – Buyer may at any time and from time to time make changes in (a) drawings, designs, or specifications applicable to the goods covered by the Order, (b) the method of shipment or packing, and (c) the place or time of delivery, including temporary suspension of shipments. If any such changes affect the time for performance, the cost of manufacturing such supplies or the cost of furnishing such services, Buyer will make an equitable adjustment in the purchase price or the delivery schedule, or both. Seller will make no additional charge as a result of any such change unless Buyer requested or authorized such change and Seller requests payment of such additional charge within ten days after Seller receives Buyer's request or authorization for such change.

10. COMPLIANCE WITH LAWS – Seller warrants to Buyer that, in the performance of the Order, it will comply with all applicable laws, statutes, rules, regulations or orders of the jurisdiction where goods are sold or delivered or where work is performed under the Order, and all legal requirements regarding the export, import, sale, distribution, marketing, and service of the goods and related technology, including without limitation, the obligations under Section 12 of these Terms, tax and foreign exchange legislation or regulations, the applicable requirements of §§6, 7 and 12 of the Fair Labor Standards Act, as amended, and the applicable regulations and orders of the U.S. Department of Labor issued under §14 of such Act. Seller also warrants that it will at all times be in compliance with applicable requirements of Executive Order 11141 and 11246, as well as the Rehabilitation

Act of 1973, as amended. Seller represents and warrants that, for applicable sales of goods to Buyer, Seller will fully comply with all requirements, regulations, guidelines and rules of REACH (the Registration, Evaluation, Authorisation and Restriction of Chemical substances) as enacted by the European Community Regulations and related agencies on or about June 1, 2007 as may be amended from time to time and as implemented in each European Union Member State as appropriate.

11. GOVERNMENT CONTRACTS – If the goods are to be used by Buyer in the performance of a U.S. Government contract or subcontract this Section 11 shall apply and all of the provisions of the government contract, all of the applicable government procurement regulations, including Executive Orders, quality requirements, Buy American requirements, and import/export requirements, required by federal law to be included in the government contract or subcontract will be deemed to apply to Seller and will be incorporated into the Order. The clauses so incorporated will be applied to Seller as though Seller were a prime contractor. Buyer and authorized representatives of the United States Government as applicable, may audit Seller's compliance with such terms at anytime upon commercially reasonable notice to Seller, including access to Seller's books and records at its plant, or other applicable facility related in any manner to Seller's delivery or supply of the goods hereunder and/or Seller's compliance with the terms of the Order. The provisions of this Section 11 are required to be included in Seller's subcontracts and purchase orders related to the goods provided under the Offer.

12. TRADE COMPLIANCE

(A) EXPORT CONTROL REGULATIONS – Seller represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. Government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List or restricted parties list of any country having jurisdiction over Seller or involving the transaction or goods that are the subject of this document. Seller will adhere to and comply with all applicable export control regulations of the U.S. and any other relevant jurisdiction, and Seller shall not export, directly or indirectly, any information or technical data disclosed

by Buyer to Seller to any individual or country for which the U.S. Government, at the time of export, requires an export license or other governmental approval, without first obtaining such license or approval. In the event that Seller supplies to Buyer any product, material, technology, software or other item that is a controlled military or dual-use item, Seller shall concurrently inform Buyer of the export classification of the item on the U.S. Munitions List or Commerce Control List, as applicable. Seller represents and warrants that all items not so designated are classified as EAR99.

(B) ANTIBOYCOTT PROVISIONS - Seller will not request of Buyer 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. Buyer hereby rejects any such request by Seller and will report receipt of any such request to the relevant U.S. government office, as required by law.

(C) ANTICORRUPTION AND ANTIBRIBERY - In relation to any transaction involving the goods or services that are the subject of the Order or related technology, Seller 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. Seller warrants that it will comply with the anticorruption laws and anti-bribery laws of any country having jurisdiction over Seller or the transaction involving the goods or services that are the subject of the Order 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 Buyer reasonably believes that any provision of this Section 12 has or may have been breached, Seller shall cooperate fully with Buyer's investigation to clear the matter and Buyer shall not be obligated to purchase or accept goods or technology or take any other act in furtherance of any transaction while such investigation is pending and such suspension or forbearance by Buyer shall not constitute breach of any obligation or otherwise.

13. SAFETY AND HEALTH REGULATIONS – Seller warrants to Buyer that all services performed and all goods delivered under the Order will comply with all requirements of Belgian laws and, if applicable,

the US Federal Occupational Safety and Health Act of 1970, as amended, and all regulations, rules, standards and orders adopted pursuant to the Act, and will comply with all requirements of any applicable health or safety statute, regulation, or standard of any national, state or local government having jurisdiction in the location from, through or to which such goods are to be shipped or at which such services are to be performed pursuant to the Order. Seller will provide all relevant information, including without limitation, safety data sheets in the language and the legally required format of the location to which the goods will be shipped and mandated labeling information, required pursuant to applicable requirements such as (a) the Occupational Safety and Health Act (OSHA), (b) REACH (as defined herein), or (c) any other applicable law, rule or regulation or any similar requirements in any other jurisdictions to or through which Buyer informs Seller the goods are likely to be shipped or through which Seller otherwise has knowledge that shipment will likely occur, such as U.S. Department of Transportation regulations governing the packaging, marketing, shipping and documentation of hazardous materials.

14. PRODUCT SAFETY REGULATIONS – Seller warrants to Buyer that all goods supplied under the Order will comply with Belgian laws and, if applicable, the US Consumer Products Safety Act and any other applicable consumer protection statute, regulation or rule, and similar laws and regulations promulgated thereunder.

15. PATENTS, ROYALTIES AND ENCUMBRANCES – Seller warrants to Buyer that all goods supplied under the Order will be free from liability for royalties, patent rights and mechanics' liens, or other encumbrances. Seller further warrants to Buyer that the goods specified in the Order and their sale or use alone, or in combination according to Seller's specifications or recommendations, if any, will not infringe any United States or foreign patents or the intellectual property rights of any third party.

16. INDEMNIFICATION – Seller will indemnify, defend and hold Buyer and its directors, officers, employees agents, parents, affiliates, subsidiaries, successors and assigns harmless, from and against all fines, penalties, suits, actions, claims, liabilities, judgments, losses, damages, costs and expenses (including attorneys' fees), arising out of or resulting from (i) Seller's negligence or willful misconduct, (ii) any failure by Seller to perform any of its obligations under the Order including these Terms, or (iii) the goods supplied or services performed by Seller under the Order. The foregoing shall apply, without limitation, to injury to or death of any person

(including, without limitation, employees of Buyer, of Seller, or of a subcontractor of Seller). Seller also will be responsible for, and hereby assumes all liability for, any loss or destruction of or damage to (A) materials, equipment and other property owned or controlled by Seller or by any subcontractor which are to be incorporated into the goods or services provided by Seller pursuant to the Order, (B) temporary construction aids, including, but not limited to, shoring, scaffolding, false work and sheds, (C) Seller's own real and personal property, (D) real and personal property loaned or leased to Seller by any person or entity other than Buyer, and (E) personal property of Seller's employees, unless such loss, destruction or damage arises out of or results from the sole negligence of Buyer or its employees or agents.

17. REMEDIES – The remedies set forth herein are cumulative and in addition to any other or further remedies provided at law or in equity. No failure to insist upon strict compliance with the Order and these Terms shall constitute a waiver thereof, and no waiver of a breach of any provision of the Order and these Terms shall constitute a waiver of any other breach, or of such provision.

18. USE AND DISCLOSURE OF INFORMATION – All information that Seller has heretofore or may hereafter furnish or disclose to Buyer in connection with the placing or filling of the Order is part of the consideration for the Order. Therefore, unless Buyer otherwise agrees in writing, Buyer will not be obligated to treat any such information as confidential or proprietary to Seller and will have no liability to Seller for the use or disclosure of such information. Seller will keep confidential all information, drawings, specifications, or data furnished by Buyer or prepared by Seller specifically in connection with the Order, and will not use any personal data acquired from Buyer other than to fulfill Seller's obligations under this Order and will comply with all applicable laws relating to data protection, including but not limited to Belgian laws and the U.K. Data Protection Act 1998. Seller will not in any manner advertise or publish the fact that it has furnished, or contracted to furnish, Buyer the goods, materials or services under the Order, without prior written consent of Buyer.

19. BUYER'S PROPERTY – Unless otherwise agreed by Buyer in writing, all tools, equipment or material of every description furnished to Seller by Buyer or specifically paid for by Buyer, and all replacements thereof, or all materials affixed or attached thereto, shall be and remain the personal property of Buyer. Seller will plainly mark or otherwise

adequately identify such property as "property of Ferro Performance Pigments NV" and will store such property separate and apart from Seller's own property. Seller will not substitute any property for Buyer's property and will not use such property except in filling Buyer's orders. While such property is in Seller's custody or control, Seller will hold such property at its own risk. Seller will keep such property insured at Seller's expense in an amount equal to the replacement cost of such property, with the loss payable to Buyer. Buyer may at any time require Seller in writing to surrender such property to Buyer, in which event Seller will promptly prepare such property for shipment and redeliver the same to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted.

20. SET OFF – When applicable by Belgian laws, Buyer will be entitled at all times to set off any amount owing from Seller to Buyer or any of its affiliated companies against any amount due or owing to Seller with respect to the Order.

21. CANCELLATION – In the event of any proceeding by or against either party, voluntary or involuntary, in bankruptcy or insolvency, or for the appointment of a receiver of trustee or an assignee for the benefit of creditors, the other party shall be entitled to cancel the contract resulting from the acceptance of the Order forthwith. Buyer reserves the right to cancel all or any part of the undelivered portion of the Order in the event of any default by the Seller. If Buyer cancels the Order for default in whole or in part, Buyer may acquire, under the terms and in the manner Buyer considers appropriate, supplies or services similar to those canceled, and the Seller will be liable to Buyer for any excess cover costs for those supplies or services.

22. INSURANCE – (A) Seller will obtain and maintain at its sole cost and expense throughout the performance of the Order, with insurers acceptable to Buyer, the following insurance coverage: (1) Worker's Compensation in accordance with the laws of the country in which the work is to be performed, and Employer's Liability (if applicable) with customary limits covering all of Seller's employees and all employees of any subcontractor engaged in any work to be performed pursuant to the Order, (2) Comprehensive General Liability with customary limits for Property Damage and Bodily Injury and with: (a) an endorsement extending coverage to include: (i) personal injury liability with employee exclusion waived, (ii) broad form property damage liability, (iii) blanket contractual liability insurance sufficiently broad to cover the Seller's contractual liability under the Order, (iv) product liability insurance, (v)

completed-operations liability, including broad form property damage provision, (vi) if any coverage provisions in the Comprehensive General Liability insurance policy are subject to an “aggregate” limit of liability, each such “aggregate” limit shall be in a customary amount, and (3) Automobile Liability (if applicable to the Order) with statutory by country limits covering all motor vehicles, owned, hired, rented or used by Seller and covering all motor vehicles not owned by but used on behalf of Seller. Seller will assure that Buyer is named as additional insured on all of the coverages described above. All such policies of insurance shall contain a waiver of subrogation against Buyer.

(B) Seller will furnish Buyer certificates evidencing the insurance specified in paragraph (A) above prior to performance of any part of the Order and upon the request of Buyer from time to time. Such certificates will describe the policies, show expiration dates, and all policy monetary limits, and state that the policies will not be cancelled or reduced in coverage without thirty days’ prior written notice to Buyer.

(C) The Certificate of Comprehensive General Liability Insurance will identify and evidence insurance for the indemnification provision of the Order.

(D) Seller will also maintain Fire and Extended Coverage insurance payable to Buyer and Seller (as loss payee as Seller’s interest may appear, and not as additional insured) but such insurance shall not extend to Seller’s property such as tools, equipment, structures, etc., which are not to be incorporated into the Order.

23. NO GIFTS – Seller agrees not to provide or offer to provide to any director, officer or employee of Buyer, or any member of such person’s family, any favors, gifts, loans or other benefits (including services and discounts as well as material goods), except casual entertainment or gifts (other than money) of nominal value that are customarily offered to others having a similar relationship with Seller and such conduct complies with applicable law and the internal rules of Seller and Buyer; provided that the foregoing exception shall not apply if the Order shows on its face or if Buyer otherwise notifies Seller that the Order is placed under a U.S. Government or other government contract or a subcontract thereunder.

24. SUBCONTRACTING – No subcontracting shall be made by the Seller with any other party for furnishing or delivering the goods, spare parts or services under the Order without the prior written approval of Buyer.

25. INCOMING FREIGHT POLICY – Buyer reserves the right to select carriers for all inbound shipments. If the terms of sale are such that Buyer is to pay the freight expense on an inbound shipment, then Seller will arrange for shipment on a “collect” basis on the carrier designated by Buyer and paid by Buyer.

26. GOVERNING LAW – The Order is governed by the substantive law 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 and the United Nations Convention on the Limitation Period in the International Sale of Goods. For any dispute which would rise between the parties with regard to the interpretation and to the execution of the Order or these Terms, the parties will subject their dispute to the Commercial Court of Brussels.

27. SUCCESSORS AND ASSIGNS – The Order calls for Seller’s personal performance and, consequently, except as stated in the next sentence, Seller will have no right to assign any of its rights or delegate any of its duties to any person or entity without Buyer’s prior written consent. Seller may, however, assign moneys due and to become due from Buyer under the Order. In such case, Buyer will have the right to assert against Seller’s assignee any and all rights, claims, and defenses of every type (including, without limitation, rights of setoff, recoupment, and counterclaim) which Buyer would have been able to assert against Seller, whether such rights, claims, or defenses arose before or after such assignment.

28. COMPLETE AGREEMENT – These Terms, the Order and any written instructions issued by Buyer pursuant to the Order, contains the complete and final agreement between Buyer and Seller and supersedes all other and further agreements, representations, warranties, covenants, promises, and other contractual obligations between the parties in respect of the subject of the Order. 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 Buyer. Emails, internet or other terms of Seller shall not be deemed a means of modifying or amending these Terms.