

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 (“**Goods**”) by Ferro Performance Materials Poland sp. z o.o. (“**Ferro Poland**” or the “**Seller**”), to any purchaser, or in the case of sample products or material, recipient, thereof (“**Buyer**”), provided that the Buyer or recipient is located on the territory of Poland, or whether the parties to the transaction (i.e. Ferro Poland and the Buyer) have chosen for the transaction to be governed by Polish law.

1. **GENERALLY** – Ferro Poland’s offer for sale of Goods and Buyer’s acceptance of any such offer is governed by relevant provisions of Polish law and by these Terms unless otherwise agreed in a form of a written statement signed by Ferro Poland. If an order is deemed to be an offer by Buyer, Ferro Poland’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, as well as any terms & conditions accepted by the Buyer) or otherwise, (a) are requests for material alterations to these Terms, (b) are hereby rejected and objected to by Ferro Poland, and (c) will not be binding in any way on Ferro Poland.

2. **PRICE; PAYMENT** - The Goods are hereby offered for sale at prices to be established by Ferro Poland. Unless otherwise specified on Ferro Poland’s invoice, order confirmation, acknowledgment or otherwise agreed to by the parties in writing, Buyer will pay for all Goods on a net thirty (30) day basis. The Buyer shall confirm the payment by presenting the Seller with a statement, confirmation, payment order or any other evidence, that a relevant payment has been made or a payment order has been placed. The payment shall be deemed as effectively made, as soon as the Seller’s bank account is credited with the payment price amount. Ferro Poland reserves the right to assess reasonable interest charges on any amounts not paid by the date such payments is due. All orders are subject to credit approval by Ferro Poland. Ferro Poland reserves the right to withhold shipment or to require other adequate assurances of performance of Buyer’s payment obligations as Ferro Poland in its discretion may require, notwithstanding any order confirmation issued by Ferro Poland. If the Buyer defaults in paying the price for the part of ordered Goods (supplied appropriately by the Seller) or if due to the Buyer’s financial condition, it is doubtful that the price for the part of the ordered Goods, to be supplied later, will be paid on time, the Seller may refrain from supplying further parts (tranches) of the purchased Goods and set the Buyer an appropriate period to secure payment. Should the aforementioned period pass to no effect, the Seller may rescind the contract. The Seller reserves the ownership of the Goods sold, which has the effect that the Seller owns the Goods until full payment is received.

3. **TAXES** – Ferro Poland’s price for Goods is exclusive of state, or local sales, use, or excise taxes levied upon (included the Value Added Tax), or measured by, the sale, the sales price, or use of Goods required in the performance of any order. Ferro Poland 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 Ferro Poland evidence of exemption.

4. **DELIVERIES** - Ferro Poland will use commercially reasonable efforts to meet the delivery dates, specifications, and quantities as set forth in Buyer’s purchase order. Ferro Poland will not, however, be liable for damages or delays in delivery due to causes beyond its reasonable control. If the delivery is to be carried out by a third party, it is deemed, in case of doubt, that the hand-over of the Goods ordered by the Buyer, takes place at the time the Seller entrusts it to a carrier engaged in transporting things of that type. The Buyer may choose to collect the ordered Goods independently. In such case the Seller shall make the ordered Goods available for collection, in the place and operation time standard for his business. The Buyer shall make all the necessary provisions for receiving of Goods or collecting them individually, at his own costs. In any case, the Buyer shall bare all costs connected with the delivery (by the Seller or third party) or collection of ordered Goods. All such costs relating to the delivery or collection of Goods, shall be indicated in the payment invoice, issued in accordance with Clauses 2 & 3 of these Terms.

5. **PRODUCT WARRANTIES** – Ferro Poland warrants to Buyer that at the time of delivery Ferro Poland 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. Ferro Poland further warrants to Buyer that all such Goods will conform to the specifications, drawings, samples, or other description furnished or specified by Ferro Poland or agreed to in writing by Ferro Poland, and will be free from defects in material and workmanship. Ferro Poland further warrants that any services it provides hereunder will be performed in a workmanlike manner and in accordance with any professional knowledge held by Ferro Poland. The warranties stated in this Clause 5 are the only representations and warranties Ferro Poland has given Buyer in connection with the provision of Goods to Buyer

(unless the Buyer acts as a consumer i.e. an entity making the order not connected with his professional activity). Except as set forth in this Clause 5 and generally applicable provisions of law, Ferro Poland 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 ARE IN LIEU OF ALL OTHER WARRANTIES FERRO POLAND MIGHT HAVE GIVEN BUYER, INCLUDING WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR INTENDED USE (UNLESS GENERAL PROVISIONS OF LAW SHALL APPLY, IF THEY CANNOT BE EXCLUDED). All other warranties of Ferro Poland or anyone purporting to represent Ferro Poland may have given, or which may be provided or implied by law or commercial practice, ARE HEREBY EXCLUDED.

6. NON-CONFORMING GOODS - Upon Buyer's receipt of shipment, Buyer shall immediately inspect the Goods. Unless Buyer provides Ferro Poland with written notice of any claim for shortage, defect or nonconformity in the Goods within ten (10) days after receipt of shipment, 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. Should any shortage, defect or nonconformity be reported by the Buyer at the time and place of delivery, the Seller reserves the right to inspect the delivered Goods onsite.

7. 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 Polish and other countries' export control regulations, including without limitation the Customs Act dated March 19th 2004, regulations of the Polish customs and tax offices and comparable laws and regulations of other countries as well as all applicable regulations of the European Union (and other respective organizations and applicable political bodies) as well as U.S. Export Administration Regulations, regulations of the U.S. Office of Foreign Asset Control and comparable laws and regulations of other countries (to the extent that it is not contradictory to the mandatory provisions of Polish law and the European Union laws applicable to Ferro Poland), which may require the government approval for any re-export or retransfer. Buyer warrants that it (i) will adhere to and comply with all applicable export control regulations and any applicable terms, conditions, procedures and documentation requirements made known to Buyer that may be promulgated by Ferro Poland from time-to-time to comply with the export control

regulations, (ii) will not, directly or indirectly through a third party, ship Ferro Poland's 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 Ferro Poland will not proceed with a shipment when Ferro Poland knows that the Ferro Poland's products 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 Seller or the transaction involving the Goods that are the subject of this document or related technology.

(b) ANTIBOYCOTT PROVISIONS - Buyer will not request of Ferro Poland 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. Ferro Poland 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 AND 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 all applicable Polish and EU provisions of law.

(d) NONCOMPLIANCE - In the event that Ferro Poland reasonably believes that any provision of this Clause 7 has or may have been breached, Buyer shall

cooperate fully with Ferro Poland's investigation to clear the matter and Ferro Poland 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 Ferro Poland shall not constitute breach of any obligation in respect of the transaction to which this document applies or otherwise.

8. LIMITATION OF LIABILITY – FERRO POLAND'S LIABILITY FOR ITS GOODS SHALL BE LIMITED TO REPAIRING OR REPLACING THOSE FOUND BY FERRO POLAND TO BE DEFECTIVE, OR AT FERRO POLAND'S OPTION, TO REFUNDING THE PURCHASE PRICE OF SUCH GOODS. AT FERRO POLAND'S REQUEST, BUYER WILL PERMIT FERRO POLAND OR ITS DESIGNEE TO INSPECT ANY ALLEGEDLY DEFECTIVE GOODS INCLUDING SHIPMENT OF SUCH ALLEGEDLY DEFECTIVE GOODS TO THE LOCATION SPECIFIED BY FERRO POLAND AT FERRO POLAND'S COST.

9. DISCLAIMER OF INCIDENTAL AND CONSEQUENTIAL DAMAGES - FERRO POLAND SHALL HAVE NO LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE GOODS, INCLUDING WITHOUT LIMITATION BREACH OF ANY OBLIGATION IMPOSED ON FERRO POLAND HEREUNDER OR IN CONNECTION HEREWITH. CONSEQUENTIAL DAMAGES FOR PURPOSES HEREOF SHALL INCLUDE, WITHOUT LIMITATION, LOSS OF USE, INCOME OR PROFIT.

10. INDEMNITY - Buyer shall indemnify, defend and hold Ferro Poland and its directors, officers, employees, agents, suppliers, parents, affiliates, subsidiaries, successors and assigns harmless from and against any and all fines, penalties, suits, actions, claims, liabilities, judgments, losses, damages, costs and expenses (including attorneys' fees) resulting or arising from (a) Buyer's negligence or willful misconduct, (b) Buyer's use, sale, handling, storage, or disposal of the Goods or any product or waste derived therefrom, (c) Buyer's discharge or release of the Goods or any product or waste derived therefrom into water, onto land or into the air, (d) Buyer's exposing any person (including Buyer's employees) to the Goods or any product or waste derived therefrom, including failure to warn of such exposure, or (e) the transportation of the Goods to Buyer after tender of the Goods by Ferro Poland to the carrier at Ferro Poland's shipping point. The foregoing shall apply, without limitation, to injury to person (including death) or damage or harm to property or the environment. This

indemnity shall not apply to any fine, penalty, suit, action, claim, liability, judgment, cost or expense caused solely by Ferro Poland's negligence or willful misconduct, but shall apply where there is concurrent negligence or willful misconduct on the part of Ferro Poland and Buyer in proportion to Buyer's negligence or willful misconduct.

11. FORCE MAJEURE - Except for the payment of monies owed, 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, or 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 cooperate to ameliorate the circumstance or condition as quickly as possible.

12. GOVERNING LAW - The sale of Goods hereunder shall be governed, interpreted and construed by and in accordance with the internal substantive laws of Poland, without regard to the conflict of laws 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 public courts of Poland. Such 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.

13. COMPLIANCE WITH LAWS. 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 7.

14. COMPLETE AGREEMENT - The Terms constitute an integral part of all sale agreements concluded by the Seller and Buyer, and are openly available to any and all interested parties at Ferro Poland's website being: www.ferro.com. These Terms contain the complete and final agreement between Buyer and Ferro Poland 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 Ferro Poland. 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 Ferro Poland. E-mails and electronic on-line, internet or other terms of Buyer shall not be deemed a means of modifying or amending these Terms.