

GENERAL PURCHASE CONDITIONS
RED POINT ALLOYS B.V.

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ARTICLE 1. DEFINITIONS

The following terms in these general purchase conditions are defined as follows:

Red Point Alloys: The private company Red Point Alloys B.V., with its registered office at Zoetermeer.

Client: Red Point Alloys, with whom the supplier enters into a contract to render services.

Supplier: the natural or artificial person with whom Red Point Alloys enters into a contract of purchase and sale and/or a contract to render services.

Information: all company sensitive information of Red Point Alloys in the broadest sense of the word, as well as all detailed or non-detailed data about the know-how, patents, products, as well as the composition of products that have not yet been patented, in the broadest sense of the word, which are part of the intellectual property of Red Point Alloys.

ARTICLE 2. GENERAL

2.1 These general purchase conditions of Red Point Alloys apply to all requests for offers, orders, purchase orders and the contracts of purchase and sale and the orders that have resulted from this. Any stipulations varying from or added to these general purchase conditions require the express written approval of Red Point Alloys.

2.2 Red Point Alloys rejects the applicability of the supplier's general terms and conditions.

2.3 Should any provision of these general purchase conditions or part of them be void or voidable, the other provisions or the remaining part will continue to apply. Red Point Alloys and the supplier agree to replace the void or voidable provision by a provision they would have agreed on if they would have been aware of this voidness or voidability.

2.4 If these general purchase conditions have been drawn up in both Dutch and English, in the case of any dispute about the contents or purport of these general purchase conditions, the Dutch text will be binding.

ARTICLE 3. QUOTATIONS/OFFERS AND ORDERS

3.1 Offers and quotations of, and acceptances by, the supplier should in principle be made in writing. Any costs attached to making an offer or quotation will be at the expense of the supplier.

3.2 Offers and quotations of the supplier bind the supplier if they include a term for acceptance.

3.3 Red Point Alloys is entitled to withdraw an order it has placed, provided the supplier has not yet confirmed the order in writing. If the order confirmation deviates from the order, Red Point Alloys will only be bound by the order if Red Point Alloys has agreed to such deviation in writing.

ARTICLE 4. SPECIFICATIONS AND TECHNICAL REQUIREMENTS

4.1 The supplier undertakes to fully observe the specifications and/or technical requirements provided by Red Point Alloys.

4.2 If the contract documents refer to specifications and/or technical requirements and the documents in question are not attached to the agreement, the supplier is deemed to be aware of this and to perform the agreement in accordance with these specifications and/or technical requirements. The supplier must immediately inform Red Point Alloys if any documents are missing. The text of the purchase order and/or specifications and/or technical requirements provided by Red Point Alloys is/are binding upon the supplier.

4.3 If, in the opinion of the supplier, the text of the purchase order and/or specifications and/or technical requirements is not sufficiently clear, the supplier will be obliged to inform Red Point Alloys of this in writing within 4 days at the most. If during the performance of the contract of purchase and sale and/or the order the supplier realises that he will be unable to comply with the specifications and/or technical requirements provided by Red Point Alloys, he must inform Red Point Alloys of this immediately in writing.

4.4 After the agreement has been concluded, the supplier will be obliged to submit upon request a production schedule to Red Point Alloys, which at least includes design, purchase and/or production of components and/or basic material, manufacturing including assembly, tests and delivery dates, and other intermediate stages relevant to the production process, with due observance of all that which has been agreed under the agreement, as well as a list of the persons in the organisation who will be responsible for the performance of the agreement.

ARTICLE 5. AMENDMENTS

5.1 Red Point Alloys is entitled to make amendments to an agreement that has already been concluded. It will inform the supplier immediately in writing of any such amendments. If the supplier believes that the amendment will affect the agreed price and/or term of delivery, he will inform Red Point Alloys of this within three days after he has received the amendment notice, in the absence whereof the agreed price and term of delivery will be maintained.

5.2 In the event of additional work, the supplier will inform Red Point Alloys in writing. Only after acceptance in writing by Red Point Alloys will the supplier be entitled to perform this additional work.

ARTICLE 6. PRICES

6.1 The prices stated in the quotation/offer are fixed prices and include the cost of packaging, transport, licences, excise duties and insurance, but they do not include VAT.

6.2 Any agreed price change due to a change in the wages and/or price of materials etc. must be expressed in a formula which requires the approval of Red Point Alloys and which is based on an official publication.

6.3 The supplier guarantees that the prices he quotes comply with the Dutch pricing regulations. The supplier indemnifies Red Point Alloys against any financial losses that Red Point Alloys may sustain if the pricing regulations are breached.

ARTICLE 7. INVOICING

7.1 The supplier will send an invoice to Red Point Alloys for every purchase order.

7.2 The invoices must include the following details:
a. the unit price and the total value of the supplied goods including any packaging costs;
b. the delivery date;
c. the country of origin of the supplied goods;
d. the VAT numbers of the supplier and of Red Point Alloys;
e. the statistical number of the supplied goods;
f. the supplier's dispatch number;
g. the order number of Red Point Alloys;
h. a description of the delivered goods, and
i. the quantity.

7.3 Invoices may not be sent before the day the goods are dispatched, and must show the date the goods are dispatched.

7.4 The term of payment of the supplier's invoice will commence after all materials and documents, as included in the purchase order, have been delivered and after the supplier's invoice has been received by Red Point Alloys.

ARTICLE 8. PAYMENT

8.1 Payments must be made – except as provided for in paragraph 2 of this article – within 45 days after receipt and approval of the invoices in the currency stated in the offer, except if the supplier fails to deliver, delivers only in part, or if the delivery is faulty. In so far as not agreed otherwise, payment will be by bank or giro. Red Point Alloys is entitled to decide for which agreement with the supplier the payment is made.

8.2 If the amount of the invoice is not yet due and payable, Red Point Alloys operates the following early payment discount scheme:

- a. within 14 days after the invoice has been received and the goods approved: minus 1% of the invoice amount excluding VAT;
- b. within 8 days after the invoice has been received and the goods approved: minus 2% of the invoice amount excluding VAT.

8.3 The receipt of payment does not constitute acceptance and does not discharge the supplier from any obligation of the supplier in respect of Red Point Alloys.

8.4 Red Point Alloys is entitled to set off amounts it or its affiliated legal entities and companies owe to the supplier or to legal entities or companies affiliated with the supplier with the claims Red Point Alloys has on the supplier or legal entities affiliated with the supplier.

8.5 If and in so far as Red Point Alloys were to owe interest to the supplier, this interest will be simple interest and equal to the refinancing interest rate of the European Central Bank (ECB) that applies on the due date of the invoice.

8.6 If the payment term is exceeded, or if Red Point Alloys fails to pay, the supplier will not be entitled to terminate or suspend his work.

ARTICLE 9. DELIVERY AND SHIPPING INSTRUCTIONS

9.1 Delivery will be 'Delivery Duty Paid', in accordance with the most recent version of the Incoterms which applies at the time when the order is made, unless agreed otherwise.

9.2 Agreed delivery times are binding/fixated and subject to strict deadlines. If the agreed terms are exceeded, the supplier will be in default without any further notice of default being required.

9.3 If the supplier expects that the agreed delivery term will be exceeded, he is obliged to inform Red Point Alloys of this immediately in writing.

9.4 If the exceeding of the delivery time can be attributed to the supplier, at least lies within his sphere of influence or risk, Red Point Alloys is entitled to withhold a discount of 5% on the principal sum, without prejudice to the other rights that Red Point Alloys has by law in the event of (late) compliance by the supplier, including the right to terminate the agreement and/or to claim performance and/or damages.

9.5 Partial deliveries are not permitted unless Red Point Alloys has given its prior written approval, if necessary subject to conditions to be determined later.

9.6 The supplier is obliged, when asked, to store the goods on his site at his own expense from the moment the goods are ready until no more than two months later. The costs referred to in the preceding sentence also include the cost of storage, maintenance and insurance against fire and/or theft, and/or loss during storage or transport, until the moment Red Point Alloys has received the goods.

9.7 Each delivery or partial delivery must be accompanied by ordered certificates and a complete packing slip stating the order number of Red Point Alloys, as well as the quantity of goods to be delivered. The consignment notes must also always state the order number of Red Point Alloys.

9.8 Red Point Alloys is entitled to refuse goods if they are delivered without the documents referred to in paragraph 7 of this article. In that case, it may return the goods at the expense of the supplier or to store them at the place of arrival at the expense of the supplier until the omission is rectified.

ARTICLE 10. PACKAGING

10.1 The goods to be supplied must be provided with adequate protective packaging or packaging that is customary in the branch, using the tags and/or markings prescribed by Red Point Alloys. The supplier is liable for all damage caused by the lack of (sufficient) and/or reliable packaging.

10.2 Packaging materials must be fit for reuse or recycling and must comply with international and Dutch (environmental) laws and regulations. If the packaging materials cannot be reused or recycled, the costs of processing them will be at the expense of the supplier.

10.3 At the request of Red Point Alloys, the supplier is obliged to take back the packaging material he has used at his own expense and risk. The supplier must return any packaging provided by Red Point Alloys in good condition, free of charge and insured.

ARTICLE 11. OWNERSHIP, RISK AND PROPERTY RIGHTS

11.1 The ownership and the risk of the goods transfers to Red Point Alloys at the time of actual delivery at the agreed location and after the delivery has been accepted by Red Point Alloys. If Red Point Alloys makes any payment before the delivery, the ownership for the amount of that part of the delivery already paid for will transfer to Red Point Alloys at the time of payment. The supplier will individualise the goods by means of unique characteristics and keep them for Red Point Alloys. The supplier guarantees the full and unencumbered transfer of ownership.

11.2 If Red Point Alloys terminates the agreement on valid grounds, or requires replacement of the goods delivered, the risk will remain with the supplier.

11.3 If it has been agreed with the supplier that the supplier will take care of the installation or assembly, the supplier will bear the risk until the installed or assembled unit has been accepted by Red Point Alloys.

11.4 If, for the performance of the agreement, Red Point Alloys supplies goods to the supplier, which are or can be individualised by means of unique characteristics, these goods will remain the property of Red Point Alloys. In that case, the supplier will bear the risk for loss or damage of these goods and must replace these lost or damaged goods at his own expense and risk. The supplier will only use these goods for the performance of the agreement. The supplier must immediately return these goods to Red Point Alloys at his own expense after the agreement has been performed or ended.

11.5 Objects and goods that have been acquired or made by the supplier for the purpose of the delivery will become the property of Red Point Alloys as soon as they have been created and the supplier will keep them for Red Point Alloys.

11.6 Without prior written permission, the supplier is not allowed to use, make or have made (by third parties), market, operate or otherwise manage and dispose of, or supply to third parties any goods that have been made or are based on objects (within the meaning of article 11 paragraph 5) of Red Point Alloys. In the event of a breach of this prohibition, the supplier will forfeit a one-off immediately payable penalty of € 75,000, without notice of default or court intervention being required, as well as a penalty of € 2,500 for each day or part of a day that the breach continues, without prejudice to Red Point Alloys' right to compensation for the full damage it has sustained and will sustain on account of this and the right to terminate the agreement.

ARTICLE 12. TESTING AND INSPECTION

12.1 Red Point Alloys is entitled to test and inspect the goods at the supplier's premises prior to delivery, or at Red Point Alloys' premises within two weeks after delivery, or at the premises of Red Point Alloys' customer after delivery, before accepting the goods. The supplier is obliged, without extra costs for Red Point Alloys, to provide all cooperation to Red Point Alloys and/or parties engaged by Red Point Alloys with the inspection and testing and to provide, at the request of Red Point Alloys, reasonable personal and material assistance for the testing and inspection. Testing and inspection does not affect any guarantee obligation and/or liability of the supplier.

12.2 The costs of tests and/or inspections and all costs attaching to this will be at the expense of the supplier.

12.3 If any goods are rejected, Red Point Alloys will inform the supplier of this and require, at its discretion, replacement or repair, or terminate or cancel the agreement, without prejudice to the right of Red Point Alloys to compensation for any damage it has sustained or will sustain on account of this. Red Point Alloys is entitled to return rejected goods at the expense of the supplier.

ARTICLE 13. GUARANTEE AND GUARANTEE PERIOD

13.1 The supplier guarantees that:

- a. the goods are made and/or produced by the supplier himself, his subsidiary companies or affiliated companies, but not by a third party acting as a subcontractor or otherwise, unless with the prior written consent of Red Point Alloys;
- b. the goods are suitable for the purpose for which they are intended;
- c. the goods correspond exactly with the written requirements as contained in the purchase order provided by Red Point Alloys, and/or acceptance of the offer, and/or specifications and/or technical requirements, and/or other documents provided by Red Point Alloys;
- d. the goods are of good quality and are free from corrosion, design faults, construction defects and/or material defects and that skilled staff is used/employed to carry out the work in connection with the goods.

e. the goods comply with all legal requirements that apply in the Netherlands and with other (international) laws, regulations and directives, including in particular the European directives concerning CE markings and the EU Conformity Certificate for machines / safety components and the "manufacturer's declaration", which declaration must be acquired by the supplier;

f. the agreed result will be delivered;

g. the goods are accompanied by the required instructions or technical specifications, including detailed instructions for storage and preventive maintenance, to enable Red Point Alloys to use the goods for the purpose for which they are intended, as well in all relevant certificates, statements, assembly instructions, specifications, drawings, reports, tax details and other documents.

h. components of the goods and the maintenance required to keep the goods in a good state of repair for a period of 10 years may be purchased / acquired by Red Point Alloys.

13.2 If, within a period of 18 months after their first use or 24 months after they have been delivered, it appears that the goods do not comply with the aforementioned conditions, the supplier will be obliged, within a reasonable term to be determined by Red Point Alloys - upon request of Red Point Alloys and at the discretion of Red Point Alloys -, to repair the goods or to replace them entirely or to have them remade, without prejudice to Red Point Alloys' other rights

13.3 If the supplier fails to comply with the obligations referred to in paragraph 2 of this article, Red Point Alloys will be entitled, at the expense of the supplier, to repair the goods, either by a third party or otherwise, or to replace them entirely or to have them remade.

13.4 The guarantee described in paragraph 1 of this article also applies to the repaired or replaced or remade goods.

ARTICLE 14. INTELLECTUAL PROPERTY RIGHTS

14.1 All drawings, specifications, designs, moulds, stamps, samples, software, templates, dies and so on, as well as all brands, know-how and patents of Red Point Alloys, which Red Point Alloys has provided to the supplier and/or produced in connection with the performance of the agreement, remain the property of Red Point Alloys, at least no rights in respect to these items are transferred.

14.2 Red Point Alloys is entitled to all intellectual property rights and specific accessories/goods that arise from the performance of the order of Red Point Alloys by the supplier, his employee or any third party engaged by the supplier.

14.3 The term know-how in this article includes all knowledge and all methods of working that Red Point Alloys has acquired through

experience and experiments with respect to methods, techniques, dosages and other information, in such combination that, as a result, Red Point Alloys is able to manufacture a product or to have a product manufactured, which knowledge and methods of working are not patentable.

14.4 Without the prior written consent of Red Point Alloys the supplier is not allowed to use the name and/or logo of Red Point Alloys in advertisements or other commercial communications.

14.5 The supplier is not allowed to use the drawings, specifications, designs, moulds, stamps, samples, software, brands, know-how and patents etc. referred to in paragraphs 1 and 2 of this article, or have them used by third parties, for or in connection with any other purpose than the performance of the agreement with Red Point Alloys, unless Red point Alloys has given its express prior written consent for this other purpose.

14.6 The supplier is not allowed to use, copy (or have copied), market, operate or otherwise manage or dispose of the goods (that are not standard goods) and/or components which the supplier has produced at the order or on the instructions of Red Point Alloys.

14.7 All goods that Red Point Alloys provides to the supplier for the execution of an order will be delivered ex-works, in accordance with the most recent version of the Incoterms that apply at the time when the order is placed and will under all circumstances remain the property of Red Point Alloys. The supplier is obliged to keep these goods in a good state of repair and to insure them against all risks. Any damage to the goods provided by Red Point Alloys, as well as to materials for (further) processing by the supplier will be at the expense of the supplier.

14.8 If the goods are subject to intellectual property rights, Red Point Alloys will acquire the right of use, free of charge, by means of a non-exclusive worldwide and perpetual licence.

14.9 The supplier guarantees that the goods to be supplied do not infringe upon any intellectual property rights of any third party. The supplier will indemnify Red Point Alloys against and compensate Red Point Alloys for any claims by third parties on account of (alleged) breaches of such rights and compensate Red Point Alloys for all damage Red Point Alloys sustains as a result.

14.10 In the event of a breach of the provisions in this article, the supplier will forfeit a one-off, immediately payable penalty of € 50,000, without notice of default or court intervention being required, as well as a penalty of € 5,000 for each day or part of a day that the breach continues, without prejudice to Red Point Alloys' right to compensation for the full damage it has sustained and will sustain on account of this and without prejudice to the right of Red Point Alloys to terminate the agreement with immediate effect by means of a written extrajudicial declaration to the party in breach.

ARTICLE 15. CONFIDENTIALITY AND INFORMATION PROVISION

15.1 The supplier and/or the client is not allowed to disclose any confidential information he has gained under an agreement concluded with Red Point Alloys and which is not public information, to any third party and to his employees who are not involved with the performance of the agreement, unless Red Point Alloys has given prior written consent for this.

15.2 In the event of a breach of the prohibition referred to in paragraph 1, the supplier will forfeit a one-off, immediately payable penalty of € 50,000, as well as a penalty of € 5,000 for each day or part of a day that the breach continues, without prejudice to the other rights Red Point Alloys has by law for non-performance, including the right to terminate the agreement and to claim performance and/or compensation.

15.3 The supplier will provide Red Point Alloys with all information relating to the (supplied) goods in so far as this information may be relevant to Red Point Alloys. If (American) technology has been used/incorporated in the goods, which is subject to the US Export Administration Regulations or to export regulations of the EU or an EU Member State, the supplier will be obliged to inform Red Point Alloys of this in accordance with the relevant conditions.

ARTICLE 16. LIABILITY

16.1 The supplier is liable towards Red Point Alloys for all damage sustained by Red Point Alloys as a result of product defects and/or design faults and/or failure in the performance of his obligations under the agreement, including any act or omission by the supplier himself or his employees or subcontractors involved with the delivery and also for all damage which by law, by custom or according to common opinion will be at the expense and/or risk of the supplier.

16.2 The supplier indemnifies Red Point Alloys against claims by third parties on Red Point Alloys which relate to damage caused by the supplier or for which he is liable, and against damage, claims and costs that arise from the performance and/or carrying out of deliveries by a third party acting as a subcontractor or otherwise, as well as against all claims with respect to the deliveries, based on the product liability legislation that applies in the Netherlands.

16.3 The supplier must have adequate insurance cover against liability as referred to in this article and maintain adequate insurance cover. If requested, the supplier will allow Red Point Alloys to inspect the insurance policy forthwith. Red Point Alloys is not obliged to inspect the insurance policy. The supplier hereby assigns to Red Point Alloys all claims to payment of the insurance money, in so far as it relates to damage for which the supplier is liable towards Red Point Alloys.

ARTICLE 17. TRANSFER, SUBCONTRACTING AND PLEDGING

17.1 Without the prior written consent of Red Point Alloys the supplier is not authorised to subcontract the performance of the agreement or any part thereof to third parties, nor to transfer the rights and obligations under the agreement, wholly or in part, to a third party or to assign the claims the supplier has on Red Point Alloys by virtue of the agreement to a third party or to pledge them.

17.2 If the supplier uses the services of a third party, he will be obliged to send to Red Point Alloys upon request a copy of his order to or

agreement with this third party (without quotation).

ARTICLE 18. TERMINATION OF THE AGREEMENT

18.1 Without prejudice to all other rights to which Red Point Alloys is entitled and without any liability, Red Point Alloys is entitled, without further notice of default, to terminate the agreement, wholly or in part, in the following cases:

- a. if the supplier is declared bankrupt;
- b. if the supplier has applied for/been granted a moratorium;
- c. if the supplier is in the process of liquidation;
- d. if an attachment is made against the supplier;
- e. if the supplier transfers his business operations;
- f. if the supplier, for whatever reason, fails in the performance of one or more obligations under the agreement entered into with Red Point Alloys;

- g. if without the written consent of Red Point Alloys, the supplier offers and/or gives an employee of Red Point Alloys a gift or other bonus, and
- h. in all other cases not provided for in article 19 of the general purchase conditions.

18.2 In the event of termination by virtue of any of the grounds referred to in the preceding article, Red Point Alloys will be entitled to compensation for all damage he has sustained or will sustain.

18.3 In the event of termination, the risk for any goods already delivered will remain with the supplier.

18.4 Besides the cases referred to in paragraph 1, Red Point Alloys will be free to terminate the agreement unilaterally with immediate effect, in the event of a drastic change of circumstances, as a result of which Red Point Alloys cannot reasonably be expected to continue the performance of the agreement, with the obligation to pay compensation pro rata to the supplier in so far as the supplier has already performed the agreement wholly or in part.

18.5 Upon termination of the agreement, the goods that are held in the custody of the supplier must be immediately returned to Red Point Alloys at the expense of the supplier. If the agreement ends in this manner, Red Point Alloys will be entitled, without prior written consent, to gain access to the location where the goods are stored, and to take them.

ARTICLE 19. FORCE MAJEURE

19.1 If, in the event of force majeure, the supplier is unable to comply with his obligations towards Red Point Alloys under the agreement, he will be obliged to inform Red Point Alloys of this immediately.

19.2 If the situation of force majeure continues for longer than 10 days, Red Point Alloys will be entitled to terminate the agreement, without prejudice to its right to compensation for all damage it has sustained.

ARTICLE 20. APPLICABLE LAW AND COMPETENT COURT

20.1 Dutch law applies to these general purchase conditions and to agreements between Red Point Alloys and the supplier. The provisions of the Vienna Sales Convention 1980 (CISG) are expressly excluded.

20.2 All disputes between Red Point Alloys and the supplier will be resolved exclusively by the District Court of The Hague.