

Materion Advanced Materials Germany GmbH

Terms and Conditions of Sale

1 Scope of Application

All sales and deliveries of any materials, goods or products (the "Goods") of Materion Advanced Materials Germany GmbH in Germany ("Materion") are exclusively subject to the following Terms and Conditions of Sale ("Terms"). Customers' general terms and conditions of business which deviate from these Terms or from the law will not be accepted, and they will also not become part of a contract if Materion accepts or executes orders from the customer in awareness of the customer's opposing or deviating terms and conditions of business.

2 Subject Matter and Scope (Offers, Samples, Guarantees, Conclusion of Contracts)

2.1 All offers of Materion are nonbinding and without engagement unless specifically agreed otherwise. Contracts shall be deemed concluded only after Materion has issued an order confirmation in writing or effected delivery of the Goods ordered.

Materion shall be generally under no obligation to verify the correctness of the information provided by the customer upon which Materion's offer or order confirmation is based, and Materion shall also not be obliged to investigate if the execution of the customer's order based on such information infringes any third-party property rights. The customer will be advised of all risks which are identified by Materion.

2.2 The data and information included in data sheets, brochures and other promotional and information material of Materion serve solely as a guideline and become a binding part of a contract only upon the express written consent of Materion.

2.3 Characteristics and properties of samples and specimens are only binding if expressly so agreed.

2.4 Information about the quality, condition and shelf-life of Goods shall be deemed to be warranties only if expressly designated as such. The same applies to the assumption of a procurement risk.

2.5 Unless otherwise agreed in writing, Materion will deliver Goods within the tolerances admissible under the relevant German or European technical standards, in particular DIN, VDE, EN ISO or similar standards.

2.6 Technical changes which are required for manufacturing reasons, or which are necessary due to legislative changes, or which serve the product update and maintenance, shall be admissible if they are reasonable for the customer.

2.7 Customer acknowledges that Materion has furnished to customer product information which includes warnings and safety and health information concerning the Goods. Customer represents and agrees that it will disseminate such information so as to give warning of possible hazards to persons whom customer can reasonably foresee may receive exposure to such hazards, including, but not limited to, customer's employees, agents, contractors and customers.

3 Delivery, Delivery Periods, Packaging, Passing of the Risk

3.1 The scope of delivery of Materion's Goods and the delivery periods are determined by the written order confirmation of Materion. Materion shall be entitled to partial deliveries if this is reasonable for the customer. If the customer wishes to call off portions of an agreed total quantity for delivery in several partial deliveries, the customer shall spread such call-offs evenly over the

January 2017

delivery period. The call-off of more than 10% of the total quantity of one partial delivery on one date is subject to the prior written consent of Materion.

3.2 The delivery period commences to run only after all issues which are essential for the performance of the contract have been clarified with the customer and after the customer has performed all essential acts incumbent on him which are required for the performance of the contract by Materion. In particular, the delivery period does not commence to run until Materion has received all information from the customer which is required to effect delivery, or until the customer has furnished proof that, if required, it has opened a letter of credit, effected prepayment or provided a security, as agreed in the contract. The delivery period will be interrupted by subsequent changes requested by the customer. In case of an agreement about the desired changes has been achieved, the delivery period re-commences to run.

3.3 Acts of God, labor disputes, riots, governmental acts and similar circumstances beyond the control of Materion (Force Majeure) release Materion from its obligation to perform its contractual duties as long as and to the extent that the effects of such Force Majeure event persist. This applies also if such Force Majeure event occurs to sub-suppliers of Materion or if it occurs at a point in time at which Materion has already been in default. Materion will inform the customer of the commencement and of the end of such hindrances without undue delay.

3.4 The Goods of Materion are generally unpacked. If the customer desires packaging, the costs will be borne by the customer.

3.5 Materion delivers 'ex factory'/'ex works' (Incoterms 2010). If Materion solely organizes the transport, the costs of dispatch and the costs of transport insurance will be borne by the customer.

3.6 The price risk (i.e. the risk of accidental loss or accidental deterioration) shall pass to the customer at that point in time at which the Goods are placed at the customer's disposal at the site from which delivery is effected, even if Materion has accepted to perform additional services such as loading or transportation of the Goods. If the delivery of Goods is delayed for reasons within the customer's responsibility, the risk shall pass to the customer upon receipt of a notification that the delivery is ready to be performed. In such case, Materion will be permitted to invoice the Goods to the customer as having been delivered, and to store the Goods at the customer's cost and risk. Upon request of the customer, Materion will insure these Goods against theft and damage from breakage, transport, fire and water at the customer's cost.

4 Prices, Payment, Default

4.1 The prices quoted by Materion are exclusive of the value-added tax, outer packaging, shipping charges and insurance costs ('ex works', Incoterms 2010).

4.2 If Materion has advised customer that it will only fill an order on a cash in advance basis, with cash held as security, customer will be required to deliver to Materion, in advance of any acknowledgment or acceptance of the purchase order, a cash amount equal to the order quantity multiplied by a pro forma invoice price. That price will be determined by adding together the quoted fabrication price plus actual metal market adjustments based on market pricing for the date of receipt of order. On the day the order is ready to ship, this amount will then be

Materion Advanced Materials Germany GmbH

Terms and Conditions of Sale

adjusted to "current" metal market pricing to account for any +/- market fluctuations as well as any quantity changes that may have occurred. Standard shipping tolerances are +/- 10% of original order quantity, however, customer can choose to accept and offer payment for any quantity in excess of this range.

4.3 Invoices are due for payment within 14 days upon receipt and without any deductions. Cheques will be accepted on account of performance only. The customer agrees to the electronic transmission of the invoice.

4.4 Materion charges interest for default in payment at the rate of nine (9) percentage points above the applicable base rate p.a. (Section 247 of the German Civil Code (BGB)). The right to furnish proof of a higher or further damage caused by default remains unaffected.

4.5 Materion shall not be obliged to perform its contractual duties as long as the customer fails to perform its own obligations according to the contract, including its obligations from other contracts with Materion and, in particular, if the customer is in default of payment.

4.6 The customer may offset counterclaims or withhold payment based on such counterclaims only if such counterclaims are uncontested in writing or non-appealable.

4.7 If the customer is in default of payment or if there are circumstances which, when applying customary banking standards, justify doubts about the customer's ability to pay, Materion will be entitled to perform outstanding deliveries only against payment in advance or subject to the provision of a security. In such case, Materion will be permitted to declare all of its claims against the customer immediately due for payment, irrespective of the term of any bills of exchange, and demand securities.

4.8 Subject to evidence of a higher damage, Materion will charge 2.50 € for the second and each further reasonable reminder.

5 Warranty, Duties of the Customer regarding Claims for Defects by his own Customers; Liability and Damages

5.1 Slight deviations from the agreed or standard quality do not constitute a defect in Goods. General information on the use of the Goods or examples for the application of the Goods given by Materion in brochures or other advertising media do not release the customer from a careful inspection of the delivered Goods for its fitness for the customer's particular purpose of use. The customer's special requests regarding the particular use of the Goods shall only be authoritative if Materion has confirmed to the customer in writing at the time of conclusion of the contract that the delivered Goods are fit for the customer's intended purpose of use.

5.2 The customer shall notify Materion without delay of all claims for defects which are asserted by its own customers and which relate to deliveries of Materion, otherwise the customer's claims for defects against Materion will be excluded. In addition, the customer shall preserve evidence in the requisite form and provide such evidence to Materion. Materion may request from the customer samples of defective Goods (including any existing supporting documents and packing slips) for investigation of the defect. The customer's failure to comply with this reasonable request will result in the exclusion of the customer's claims for defects. The same applies to any claims for defects which are asserted against the customer by its own customers and which relate to deliveries of Materion.

5.3 Materion warrants that the Goods shall be substantially in accordance with Materion's published specifications for the Goods, if any, or to the written specifications for the Goods agreed to in writing by an authorized representative of Materion, if any. Materion makes no recommendation, warranty or representation as to the suitability of the Goods for customer's application, use, end-product, process or combination with any other product or substance, or as to any results customer might obtain in customer's use(s) for the Goods. Materion's warranty extends only to customer and may not be assigned or transferred.

5.4 Regardless of the type of violation, including tort, claims for damages against Materion are excluded or limited unless they are based on Materion's willful misconduct or gross negligence.

5.5 Materion shall not be liable to customer in the case of simple negligence as long as essential contractual duties ("Kardinalpflichten") have not been breached. Essential contractual duties include the duty to provide the Goods without fundamental defects on time, as well as duties to advise, protect and care, which should enable the customer to use the Goods for the contractual purpose or are designed to protect the body or life of customer's employees, or protect their property from significant damages.

5.6 In case of breach of essential contractual duties due to simple negligence, Materion's liability to customer is limited to damages, which Materion had anticipated at the time of concluding the contract as possible consequences of a breach of contract, or should have anticipated with the usual due care and diligence. Indirect damages and consequential damages, which are the result of defects to the Goods, are moreover only recoverable if such damages can be expected when using the Goods for the contractually intended purpose.

5.7 In case of customer's claims due to Materion's simple negligence, Materion's liability is limited to the foreseeable and typical damage for each event of damage or loss. The foregoing limitations on and exclusions of liability do not apply to claims that arose due to Materion's fraudulent conduct, or to liability for warranted quality characteristics, to claims under the German Product Liability Law ("Produkthaftungsgesetz") or to death, bodily injury or damage to health.

5.8 Insofar as Materion's liability is excluded or limited, this limitation on liability shall also apply to Materion's employees, representatives and vicarious agents. In no event shall either Materion or customer be liable for indirect, consequential, special, punitive or exemplary damages in connection with or arising out of the contract.

5.9 Customer shall indemnify and hold Materion harmless from and against any and all liability for costs or damages awarded against Materion for infringement of any patent claims covering the Goods manufactured to designs or specifications of customer.

6 Retention of Title

6.1 Materion retains title to all Goods delivered until the customer has fully satisfied all of his payment obligations from the business relationship with Materion. This applies also if payments are made in satisfaction of specially designated claims, including claims from cheques and bills of exchange, from open bills or current

Materion Advanced Materials Germany GmbH

Terms and Conditions of Sale

account.

6.2 The customer shall have the right to resell, process, mix, blend or combine the Goods subject to retention of title with other items during his ordinary course of business until revocation by Materion, which may be declared at any time and without giving reasons. A resale of the Goods subject to retention of title within the meaning herein also comprises the installation of such Goods in ground and buildings, or their installation in facilities connected to buildings, or their use for the performance of other contracts.

6.3 The processing or transformation of the Goods subject to retention of title is made for Materion as the manufacturer within the meaning defined in section 950 of the German Civil Code (BGB) without resulting in any obligation on the part of Materion. The processed or transformed Goods shall constitute Goods subject to the retention of title within the meaning of these Terms. If the Goods subject to retention of title are processed or inseparably blended/combined with other items which are not owned by Materion, Materion acquires a co-ownership of the resulting new item in the ratio of the invoice value of the Goods subject to retention of title and the replacement value of the other items used at the time of such processing or blending/combining. If the Goods subject to retention of title are combined or inseparably blended with other items not owned by Materion into a uniform item which is to be regarded as main item, the customer hereby assigns to Materion a share of co-ownership which is proportionate to the customer's ownership of the main item. Materion hereby accepts this assignment. The customer will hold the property so created on behalf of Materion free of charge.

6.4 The customer shall insure the Goods subject to retention of title at his own cost against all standard risks, in particular against fire, burglary and water hazards, handle these Goods with care and store them properly.

6.5 In the event of a resale of the Goods subject to retention of title by the customer, the customer hereby immediately assigns to Materion the purchase price claims against his own customers arising from such resale. If the customer resells the Goods subject to retention of title together with other items not delivered by Materion, the foregoing assignment applies only in the amount of the value of the Goods subject to retention of title which is specified in the invoice of Materion. In the case of a resale of items in which Materion has a co-ownership pursuant to clause 6.3, such assignment applies in the amount of Materion's co-ownership. The assigned claims serve as security in the same scope as the Goods subject to retention of title. If an assigned claim is included in a current account, the customer hereby immediately assigns to Materion a balance which corresponds to such claim from current account. Materion hereby accepts the said assignment of claims.

6.6 The customer shall have the right to collect, within his ordinary course of business, the claims assigned to it by Materion until revocation by Materion. Such revocation may be declared at any time and for no specific reason; this collection right becomes automatically extinct without revocation as soon as the customer is in default of payment. If payment is made by direct debiting, the customer will ensure by prior agreement with its bank that the amounts received are exempt from the bank's lien and that it is at all times able to meet its obligation to transfer his proceeds to Materion. At the request of Materion, the customer will inform its own customers of the assignment of future claims to Materion and provide Materion with any January 2017

and all information and documentation which is required for the assertion of these claims.

6.7 If the aggregate value of the securities existing for Materion exceeds the claims of Materion by more than 10%, Materion will release additional securities at its discretion at the request of the customer.

6.8 The customer is not entitled to make any dispositions in respect of the Goods subject to retention of title (liens, pledging of security interests or other assignments in respect of the claims specified in clause 6.5. In the event of an attachment or seizure of the goods subject to retention of title, the customer will point out that these Goods are the property of Materion and will notify Materion of such attachment or seizure without delay, also in writing.

6.9 If the customer is in default of payment and a grace period fixed by Materion has elapsed without payment being effected, Materion is entitled to take back the Goods subject to retention of title also if Materion has not rescinded the contract.

7 Weight Accounts for Precious Metals

7.1 In the commercial intercourse involving precious metals, in certain cases, Materion may maintain precious metal pool or weight accounts. The precious metal stocks of the individual account holders are not stored separately. All account holders together form a community of proprietors which is managed by Materion.

7.2 Each account holder acquires by accession a co-ownership of the total existing stock of precious metals, which is expressed in and limited to the troy weight of each precious metal credited to the account holder's account. In case of a purchase or sale of precious metals, the passing of title is affected by a credit or debit entry in the respective weight account.

7.3 The weight accounts for precious metals are kept as current accounts. Materion regularly issues balance confirmations and precious metal account statements by which the parties' mutual claims for the delivery of precious metals during the indicated time period are offset and replaced by a claim to the balance of account. Any objections against a balance confirmation or a precious metal account statement for incorrectness or incompleteness must be raised by the customer no later than prior to the elapse of six (6) weeks after the customer's receipt of such balance confirmation or precious metal account statement. If the customer files the objection in writing, the dispatch of the written objection within the six-week period will be sufficient to meet the deadline. The absence of a timely objection will be deemed to constitute approval by the customer. Materion will specifically inform the customer of this consequence when issuing a balance confirmation or a precious metal account statement. The customer may demand a correction of the balance confirmation or the precious metal account statement also after the elapse of the aforementioned time period; always provided, however, that in such case the burden of proof for the unlawful debiting of the customer's metal account or the non-issuance of a credit that is due to the customer will rest on the customer.

8 Anti-Bribery Compliance

Customer shall:

8.1. comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption in customer's country of operation including but not limited to

Materion Advanced Materials Germany GmbH

Terms and Conditions of Sale

the U.S. Foreign Corrupt Practices Act (if applicable) and the UK Anti-bribery Act ("Relevant Requirements");

8.2. not, and cause all officers, directors, employees and agents of customer not to, make any kind of offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to either (a) any government official (or political party) for purposes of either influencing any act or decision of such government official, or securing any improper advantage, or inducing such government official to use his or her influence with any government, or instrumentality thereof, to affect or influence any act or decision of such government or instrumentality in order to assist such person in obtaining or retaining business for or with, or directing business to any person, (b) any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any government official (or political party), or to any candidate for political office, for any of the prohibited purposes described above;

8.3. comply with Materion's anti-bribery, anti-corruption and ethics policies, in each case as Materion may update them from time to time ("Relevant Policies");

8.4. have and shall maintain in place throughout the term of this contract its own policies and procedures to ensure compliance with the Relevant Requirements and the Relevant Policies, and will enforce them where appropriate;

8.5. promptly report to Materion (a) any request or demand for any undue or suspicious financial or other advantage of any kind received by customer in connection with the performance of this contract or (b) if a government official (or candidate for office) is or becomes employed by, becomes an officer of or takes an ownership interest in, directly or indirectly, Customer;

8.6. For purposes hereof, a "government official" includes any appointed, elected, or honorary official or any career employee of the government of any national, regional or local government, or of a public international organization, or any political party, party official or candidate in any country, and the term "government" includes any agency, department, embassy or other government entity or public international organization, as well as any company or other entity owned or controlled by a government.

8.7. Customer shall ensure that all of its permitted agents and subcontractors who perform services or provide Goods in connection with this contract do so only on the basis of a written contract which imposes on and secures from such persons terms equivalent to those imposed on customer in this section 8 ("Relevant Terms"). Customer shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to Materion for any breach by such persons of any of the Relevant Terms.

8.8. Breach of this section 8 shall be deemed a material breach of this contract under Section 10.

9 Compliance.

9.1. Customer agrees that it and its employees shall comply with all applicable legal requirements of the country in which its business is conducted and furthermore,

January 2017

Customer agrees that any income received hereunder, shall not be used for any unlawful or illegal purpose. In particular, each party to this contract warrants that it has not made, and that it will not make or permit to be made on its behalf, directly or indirectly, any offer, payment or promise of payment of anything of value to any government official, political party or official thereof, or a candidate for public office, for the purpose of obtaining or retaining business related to this contract.

9.2. Customer represents and warrants that: (i) it is not, nor its representatives or anyone for whom it is acting, assisting, or owned or controlled directly or indirectly by, a person(s) designated, named, or identified pursuant to any national or international law or regulation imposing trade and economic sanctions, prohibitions or restrictions (a "Sanctioned Entity"); and (ii) it shall not resell Goods nor have any commercial relationship with respect to Goods with any Sanctioned Entity.

9.3. Breach of this section 9 shall be deemed a material breach of this contract under Section 10.

10 Termination

Materion has the right to terminate this contract with immediate effect by written notice to customer in the event of a material breach of this contract, and (if that breach is remediable) the customer fails to remedy that breach within fourteen days of being notified of that breach in writing. This includes but is not limited to: (i) noncompliance with law by customer; (ii) breach of Sections 8 and 9; and (iii) noncompliance with payment obligations.

11 Choice of Law, Place of Performance, Place of Jurisdiction

11.1 These Terms and any agreement between Materion and the customer shall be governed by and construed in accordance with the law of Germany, without giving effect to its conflict of law provisions and without giving effect to the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).

11.2 The place of performance for deliveries of Materion is the site from which delivery is effected; the place of performance for the customer's payments is Materion's registered place of business.

11.3 The place of jurisdiction, also for actions on cheques and bills of exchange, is the registered place of business of Materion. However, Materion shall be entitled to recourse in any court having jurisdiction as to the respective legal action under the laws of Germany or under the laws of the country in which the customer has its registered place of business.