

General Terms and Conditions of Sale and Supply

of Perga-Plastic GmbH, Industriegebiet, 74731 Walldürn-Altheim

Status as at August 2018

1. Validity and Conclusion of the contract

1.1. Goods and services, regardless of whatever type, shall only be supplied / rendered subject to our Terms and Conditions of Business, which the Customer recognises by placing an order with us or by accepting our services.

We shall not recognise the validity of other terms and conditions, even if we do not raise any objections to them.

Our General Terms and Conditions of Business shall also apply for all future business transactions even if they have not been expressly agreed again.

1.2. Offers made by us are subject to change without notice. A contract shall only materialise after we have sent out an order confirmation or by carrying out the order. The content of order confirmations, delivery notes and other written forms of confirmation by us shall be recognised by the Customer as being correct unless he raises an objection to them in writing without delay and no later than 4 working days from receipt.

By placing an order for goods with us the Customer is making a binding declaration that he intends to place an order with us. We are entitled to accept the offer to enter into a contract implicit in the order within two weeks of receipt. We may accept the offer either in writing or by handing over the goods to the Customer.

1.3. We shall reserve the right to implement product modifications / improvements necessary or practical for technical reasons including production stages of firms (not) certified to BEC IOP4 provided that they are reasonable. We shall disclose details upon request. Dimensions, diagrams and drawings shall only serve for preliminary information purposes for the customer and shall be subject to written confirmation by us before they become binding. Information about features and performance characteristics are for the purposes of illustration and are not binding.

1.4. A contract shall be entered into subject to us being supplied with the correct thing on time by our supplier. This shall only apply in the event that we are not to blame for the Customer not receiving the goods he has ordered, in particular if we enter into a congruent covering transaction with our supplier. The Customer shall be notified without undue delay if the performance is not available. A counter-performance already rendered shall be returned without undue delay upon request.

2. Delivery

2.1. Delivery dates and periods shall only be binding if they have been agreed with the Customer or confirmed by us in writing. Delivery periods shall begin when the Customer receives an order confirmation from us, but not however, before any outstanding technical queries still not resolved when the contract is signed have been clarified and not before documents, licences, clearances to be furnished by the Customer and agreed down payments have been received.

2.2. Unforeseen events such as force majeure, delivery delays or delays in transportation or labour disputes shall release us for their duration, from our obligation to deliver on time, provided that we are not to blame for them. Delivery periods shall be extended by the duration of the disruption. If the disruption lasts for more than 6 months both Parties may withdraw from the contract. Given this,

the Customer shall not be entitled to compensation claims for damages.

2.3. Should we find ourselves in default, the Customer shall only be entitled to withdraw from the contract after we have received a written reminder and allowed a reasonable subsequent period for performance or to render subsequent fulfilment to lapse. The Customer shall not be entitled to assert compensation claims for damages, unless these terms and conditions state otherwise.

2.4. If the Customer is in default with taking delivery of goods, or if he is otherwise responsible for a delay in the goods being dispatched by us, we may put the products into storage at the risk and cost of the Customer. After setting a subsequent period of time for the Customer to accept the products, and after said period of time has expired unsuccessfully, we may withdraw from the contract and assert compensation claims for damages instead of performance. Our other rights shall not be adversely affected if we assert such a claim.

2.5. The risk of accidental loss and accidental deterioration of the goods shall pass over when the goods are handed over to the haulier, freight forwarder or other person appointed to transport the goods, and in every case when the consignment leaves our works. This shall also apply if part consignments are dispatched and for consignments delivered to a consignment store maintained on the customer's premises. The Customer shall bear the cost of transportation, packing and insurance to the point of delivery unless an agreement has been made otherwise.

Risk shall pass over to the Customer if he is in default with taking delivery of the goods in the same way that he bears the risk when the goods have been passed over to the haulier.

2.6. We are entitled to supply excesses of up to 10% and shortfalls of down to minus 10% of agreed quantities. Our obligation to supply shall be suspended for as long as the Customer is in default with a liability created by the business relationship. In cases in which the goods are to be supplied as called off by the Customer, he must take delivery of the overall quantity within 12 months.

2.7. Unless an agreement has been made otherwise, our goods and services shall be regarded as having passed the Customer's acceptance test when they have been used. We shall be entitled to demand Customer acceptance of part performances.

3. Prices and Terms and Conditions of Payment

3.1. Unless an agreement has been made otherwise, our prices shall be ex works plus value added tax. The costs for packing and freight shall be for the Customer's account.

If the goods are supplied more than 4 months after the contract has been signed, we shall, at our equitable discretion, be entitled to demand a surcharge to cover an increase in our costs incurred until delivery. The Customer shall also be entitled to have the price reduced if he is able to prove that our external costs have dropped by more than 10% since the contract was signed.

3.2. Unless an agreement has been made otherwise, payments are to be made by the Customer in full within 30 days from the presentation of invoice.

3.3 If payment is made by bank transfer, cheque or draft, the value date shall be regarded as the date of receipt. Cheques and drafts shall only be accepted by us by special agreement and only on account of performance and after subtracting all cheque and draft fees.

3.4 If the Customer exceeds the terms of payment, he will be in default with payment. If the Customer is a registered business, he shall have to pay default interest amounting to base rate plus 8% for the period in which he owes money and is in default. We shall reserve the right to prove to the business that we have incurred a loss in excess of base rate plus 8% and assert a claim for this additional loss as well.

3.5 If the Customer fails to fulfil his payment obligations in accordance with the contract or if he stops making his payments, or if we become aware of other circumstances calling the Customer's creditworthiness into question, we shall consequently be entitled to make all outstanding payments owed payable and demand payment in advance or that a security is furnished. In these cases we can also withdraw from the contract without setting the Customer a subsequent period of time, if the contract is still not fulfilled.

3.6 The Customer shall be entitled to offset only if his counter claims have been declared final and absolute in a court of law or if they have been recognised by us in writing.

The Customer may only exercise a right of retention if his counter-claim is based upon the same contractual relationship.

3.7 We shall be entitled to present the Customer with a subsequent invoice for additional work carried out for subsequent modifications in design or dimensions differing from our offer or letter of confirmation, be it as a result of Customer requests, technical requirements, unforeseen events or other circumstances beyond our control.

3.8 If it is agreed that fault-free goods are to be returned to us, the Customer shall have to pay 15% of the invoiced sum as compensation.

3.9 Our claims for payment shall lapse after 5 years.

4. Reservation of title

4.1 We shall reserve the title to the goods until all our claims under a current business relationship have been settled.

4.2 The Customer shall be obliged to handle the goods with care. He shall be obliged to notify us without undue delay if the goods are seized by a third party, if execution is levied for example, or if the goods are damaged or destroyed. The Customer shall have to inform us without delay if there is a change in the party in possession of the goods and if he relocates his place of business or residence.

If the Customer acts in breach of contract, in particular if he is in default with payment, or if he is in breach of an obligation specified in these terms and conditions, we shall be entitled to withdraw from the contract and to demand the return of the goods.

4.3 The Customer may only sell the products in a proper commercial transaction and if he agrees an appropriate reservation of title, whereby he hereby assigns to us here and now the resultant accounts receivable up to the amount of the value of our accounts receivable still outstanding from him as well as the rights to which we

are entitled under the reservation of title. This authority is revocable. We shall reserve the right to collect the account receivable against the Customer's customer ourselves, as soon as our Customer fails to fulfil his payment obligations properly and / or falls into arrears with his payment obligations. The Customer may only sell the goods subject to reservation of title if his claims created by reselling the goods have not already been assigned, pledged, levied in execution or otherwise subjected to a charge, or offset against counter-claims. He may not combine the goods subject to reservation of title with other things over which third parties have rights.

4.4 If products are processed or combined with other products, the Customer shall assign here and now to us the title to the security for the price of the goods subject to reservation of title and he shall keep the item in safe keeping for us. The processing or treatment of the goods subject to reservation of title shall be carried out by the Customer for us, without this placing us under any obligations as a result. If the goods subject to reservation of title are processed with items not belonging to us, we shall consequently acquire co-ownership of the new thing in proportion to the value of the goods supplied by us to the value of the other processed items. The same shall apply if the goods are combined with other items not belonging to us.

4.5 In so far as the value of the securities held by us exceeds the nominal value of our outstanding accounts receivable by more than 10%, we shall release these excess securities upon request.

4.6 The Customer is obliged to take out adequate insurance to cover the products supplied subject to reservation of title or items created as a result of combining or blending them or processing them with other products against all normal risks, in particular the risk of fire damage, break-in and water damage and to handle them with care.

4.7 If the Customer is in default with the payment for the supplied goods, his right to process them or to combine them with other things, shall consequently lapse. Moreover, he may no longer sell the goods subject to reservation of title to third parties.

5. Warranty

5.1 In contracts with registered businesses we shall initially honour our warranty if there are any defects by carrying out a repair or supplying a replacement as we choose.

5.2 If subsequent fulfilment is unsuccessful, the Customer may, as a matter of principle, choose to have the remuneration reduced (reduction of purchase price) or to cancel the contract (withdrawal). If the breach of contract is only minor, in particular if defects are only minor, the Customer shall not however be entitled to withdraw from the contract. The same shall apply in the event that there are minor discrepancies in the goods supplied in terms of colour and weight, differences in material thickness and in the dimensions in accordance with the tolerances stated in the GKV (German Plastics Processing Association) testing and assessment clauses. This shall also apply with regard to the durability of the dyestuffs - including those designated as being colourfast or water resistant, the diffusion of dyes dissoluble in paraffin or bonding agents and similar migration processes and their consequences and as long as for bags and other products the respective defect ratio is less than 2% of the supplied quantity. The GKV testing and assessment clauses which we will make available

upon request, shall constitute an integral part of these terms and conditions of sale and supply.

5.3 Registered businesses must notify us in writing of manifest defects within two weeks from the receipt of the goods; otherwise no claims under warranty will be recognised. It shall suffice for the complaint to be sent before the two-week period expires for it to be accepted as having been sent on time. The entire burden of proof that all preconditions for lodging a complaint have been met and in particular concerning the defect itself and for proving the point in time at which the defect was first observed and for notification of the defect on time shall be incumbent upon the registered business.

5.4 If the Customer chooses to withdraw from the contract on account of a quality defect or legal defect after the subsequent fulfilment has been unsuccessful, he will not be entitled to any compensation claims for damages on account of the defect in addition to withdrawing from the contract.

If the Customer claims compensation for damages after subsequent fulfilment has been unsuccessful, the Customer shall keep the goods if it is reasonable for him to be expected to do so. The compensation for damages shall be limited to the difference between the purchase price and the value of the defective thing. This shall not apply if we have caused the breach of contract by acting maliciously.

5.5 If the Customer needs the goods for specific purposes in addition to the normal use, he shall have to check that they are specifically suitable for such specific purposes also with regard to production reliability and compliance with all relevant technical, statutory or official regulations prior to use. We cannot be held liable for damages suffered by the Customer which can be avoided by means of conducting this type of proper test. We cannot be held liable for suitability or legality of the working materials desired if the Customer has regulations governing working materials and given this, we shall not have any specific duty to test the working materials for compliance with his regulations either.

5.6 The period covered by warranty shall be one year from the delivery of the goods for registered businesses. This shall not apply if the Customer has failed to notify us in time of the defect.

5.7 If the Buyer is a registered business, as a matter of principle only the product description shall be regarded as having been agreed as the quality and condition of the goods. Public statements, puffs, information in advertising logos, instructions for use and reference to industrial standards shall not constitute any quality description of the goods in accordance with the contract.

5.8 The Customer shall not receive any manufacturer's product warranty guarantees from us in the legal sense unless they have been agreed separately.

5.9 Warranty claims or compensation claims for damages will not be admitted if they are attributable to improper handling, maintenance, operation or processing by the Customer or third party, to normal wear and tear or damage in transit.

6. Limitations of liability

6.1. We can only be held liable for damages and consequential damages suffered by the Customer, regardless of whatever legal reason upon which they are based, in so far as they have been caused by intent or gross negligence or as a result of a breach of important contractual duties by us or by our legal representatives, employees or assistants.

6.2. In the event of a grossly negligent breach of contractual obligations which are not important, we can only be held liable for typical damages which could have been foreseen at the point in time at which the contract was signed taking into consideration all known circumstances and those which should have been known but were not known due to us being at fault.

6.3. The above limitations of liability shall not affect the Customer's product liability claims. In addition to this the limitations of liability shall not apply for death, personal injury or physical harm suffered by the Customer and attributable to us.

6.4. The Customer's compensation claims for damages on account of a defect shall become time-barred one year after the goods have been delivered. This shall not apply if we have been reproached with acting maliciously.

7. Printing orders. Industrial proprietary rights, tools, Non-disclosure

7.1. We cannot be held liable for printing errors in the proofs sent over to the Customer and which he overlooks. Only the texts confirmed by us in writing or amended sentences shall be binding. The costs for subsequent amendments, colour proofs, printouts, drafts, drawings and clichés may be invoiced in addition. In the event of information being imprecise, we shall act to the best of our judgement.

7.2. We shall reserve the title and all normal industrial proprietary rights and copyrights to moulds, drawings, lithos, printing plates, specimens, diagrams, technical documents, cost estimates and offers prepared by us. The Customer may only use them in the agreed manner. The subject-matter of the contract must not be produced by him nor may he have it produced without our written consent.

7.3. In so far as we supply products to drawings, models and samples handed over by the Customer, he shall be liable to us for third party industrial proprietary rights and other rights not being breached as a result of such products being manufactured and supplied. The Customer shall explicitly indemnify us from claims asserted on the basis of such legal breaches.

7.4. Drawings, lithos, printing plates, moulds, tools or other devices manufactured or supplied by us shall remain our property, even if the Customer has accepted that he is to pay some or all of the costs incurred for them.

7.5. The Customer must keep secret from third parties any knowledge he has acquired as a result of the business relationship with us and which is not in the public domain.

8. Obligations under the Packaging Regulations

8.1. If the Contractor affixes symbols of a waste recycling system within the meaning of Section 3 Paragraph 3 of the German Packaging Regulations (VerpackV) e.g. the Green Dot on the products the Customer shall be regarded as the body responsible for bringing the symbol into circulation for the purposes of the Packaging

Regulations and consequently the Customer shall have to pay fees directly to the waste recycling scheme.

- 8.2. If the Customer breaches the packaging regulations and if claims are asserted against the Contractor as a result, the Customer shall consequently be obliged to reimburse the Contractor for all expenses incurred in connection with this.
- 8.3. If the packaging constitutes service packaging filled with merchandise within the meaning of Section 3 Paragraph 1 No 2 P 2 of the Packaging Regulations [VerpackV], which private end customers typically accumulate and which are only put into circulation for the first time by the Customer, the regulations listed under No 1 above shall apply accordingly if the Customer undertakes to participate in such a scheme himself.
- 8.4. Assumption of the obligation in accordance with Section 6 Para 1 P 2 as well as Section 10 Para 3 of the Packaging Regulations [VerpackV] shall only be taken over by the Contractor in those cases in which the Customer requests this of the Contractor in writing. In this event the Contractor shall have to confirm the written request to the Customer in writing.
- 8.5. If the Contractor assumes participation in a system in accordance with Section 6 Clause 3 of the Packaging Regulations [VerpackV] and the handing over of the declaration of completeness in accordance with Section 10 Para 3 of the Packaging Regulations [VerpackV], the Customer shall consequently be entitled to reimburse the Contractor for the costs incurred, in particular, the full costs including the administrative costs for using the waste recycling scheme in accordance with Section 6 Para 3 of the Packaging Regulations [VerpackV] (E.g. the Dual System) as well as the costs for handing over the declaration of completeness and – if desired – the costs for affixing the symbol of a waste recycling scheme such as the Green Dot.
- 8.6. The costs for using a waste recycling scheme and for handing over a declaration of completeness, the administrative costs and – if desired – the costs for affixing the symbol of a waste recycling scheme such as the Green Dot shall be listed separately for the Customer on the invoice for each consignment of service packages based on the scale of charges for the waste recycling scheme used.
- 8.7. The Contractor is at liberty to select the waste recycling scheme to be used.
- 8.8. Section 5 Para 1 to 7 shall not apply for packaging which is not generated in the territory of the Federal Republic of Germany but in another country instead, and which therefore does not need to be disposed of in accordance with the German Packaging Regulations. The Customer is instead responsible for packaging disposal in accordance with the statutory regulations of the country to which the packaging was imported.

9. Final Provisions

- 9.1. Amendments and supplements to the contract and to these terms and conditions must be made in text form. This shall also apply for an amendment to this written form clause.
 - 9.2. These terms and conditions shall be governed by the law of the Federal Republic of Germany. The provisions of the UN law on sales shall not apply.
 - 9.3. The place of fulfilment for all contractual performances is our principal place of business.
 - 9.4. If the Customer is a registered trader, legal entity established under public law or a public law special fund the sole place of jurisdiction for all disputes arising from this contract shall be the courts having jurisdiction where our company is based. The same shall apply if the Customer does not have a general place of business in Germany or if his principal place of business or place of residence or normal whereabouts are unknown at the point in time at which a claim is submitted to the courts.
- 10.** If individual provisions of the contract with the Customer including these general terms and conditions of business should be or become partially or completely invalid, the validity of the remaining terms and conditions shall not be affected as a result. The arrangement which is partially or completely invalid is to be replaced with another arrangement which comes as close as possible to achieving the economic success of the invalid arrangement.