

**CONDITIONS OF PURCHASE
OF VERPA FOLIE GUNZENHAUSEN GMBH
(hereinafter referred to as "Customer")
Status March 2021**

**§ 1
SCOPE OF APPLICATION**

- (1)** Our Terms and Conditions of Purchase shall apply exclusively and to the exclusion of our Suppliers' terms and conditions of purchase to all existing business and future business relationships with our Suppliers.
- (2)** With the confirmation of our order, the Supplier expressly waives the use of its terms and conditions, in particular its terms and conditions of delivery, irrespective of their wording. Any pre-formulated exclusions in general conditions, framework agreements, supply agreements or similar which would lead to the inapplicability of our Terms and Conditions of Purchase are also hereby excluded by mutual agreement between the parties.

**§ 2
ORDER**

- (1)** Only our order shall be exclusively valid for the scope and content of the delivery to the exclusion of any amendments in the Supplier's order confirmation. Orders are only legally valid in writing unless the delivered goods are expressly approved by us.
- (2)** If the Supplier does not accept our order in writing within ten calendar days of receipt, we are entitled to revoke the order free of charge. However, it is further clarified that the order shall become binding for the Supplier at the latest two working days after receipt of the order if the Supplier does not object in writing within these two working days.
- (3)** The Customer is entitled to demand reasonable changes to the ordered delivery item from the Supplier after conclusion of the contract due to technical innovations and/or improvements in construction and/or dimensions and/or weight and/or material and/or shape and/or colour. The Supplier is obliged to make these reasonable changes to the ordered delivery item without additional costs, insofar as there would only be additional costs of 10% for the Supplier in relation to the costs originally incurred for the order. This additional cost expenditure shall be agreed between the Customer and the Supplier as reasonable additional expenditure.

§ 3

PROPERTY RIGHTS, PROTECTIVE RIGHTS, COPYRIGHTS

All materials provided by the Customer - whether in embodied or intellectual form - and/or other materials and/or other documents shall remain the property of the Customer and shall be subject to all possible industrial property rights, copyrights, patent rights and/or trademark rights as well as other rights of the Customer, insofar as such rights existed in favour of the Customer prior to provision. Any disclosure and/or reproduction of the materials and/or documents provided by the Customer shall only be possible with the Customer's express consent.

§ 4

TERMS OF PAYMENT

- (1)** The agreed prices are delivery free our works including packaging, freight, any transfer charges such as customs duties etc., plus value added tax and any (all) duties and taxes of whatever kind.
- (2)** The transfer of risk in the delivery item shall only take place upon delivery at the place of performance of our registered office or, in the event of any other express agreement on the place of performance, at this place.
- (3)** Payment shall be made after receipt of the invoice by the Customer within 30 days with 3% discount or within 60 days net after delivery and receipt of invoice.
- (4)** Insofar as the Supplier demands advance payment and/or payment on account, it shall be obliged to provide appropriate security at the Customer's request, e.g. in the form of a directly enforceable bank guarantee at the first request of a major German credit institution.
- (5)** Payments do not constitute recognition of the delivery or service as being in accordance with the contract. In the event of defective or incomplete delivery or performance, the Customer shall be entitled, without prejudice to other rights, to withhold payments on claims arising from the business relationship to a reasonable extent for proper performance.

§ 5

SCOPE OF DELIVERY

- (1)** The delivery also includes all contractually agreed auxiliary and/or operating materials as well as all documentation, drawings, quality and test certificates, service manuals, spare parts catalogues or other manuals relating to the delivered goods.
- (2)** In the case of technical devices of whatever type, the scope of delivery shall also include a comprehensive system presentation as well as usable assembly and

operating instructions and, if required, corresponding free support services by the Supplier.

- (3)** In the case of software products, the scope of delivery shall include complete system and user documentation as well as any necessary instruction, which shall be provided by the Supplier free of charge. In the case of software developed exclusively for the Customer, the delivery obligation shall only be fulfilled when the source code has also been provided to the Customer.

§ 6 SHIPPING / PACKING

Shipping and packaging instructions must be strictly observed by the Supplier. Costs arising from non-compliance with shipping and/or packaging regulations shall be borne by the Supplier.

All dispatch notes, delivery notes, consignment notes, invoices and other correspondence with the Customer shall state the agreed delivery date as well as the order and article numbers and the date. The Supplier is responsible for any consequences resulting from non-compliance with this obligation.

The Supplier is obliged to pack the delivery item properly and in accordance with the statutory provisions and the technical and actual requirements. Reusable packaging shall be returned to the Supplier by the Customer freight collect and shall be credited by the Supplier at the full invoice value.

§ 7 DELIVERY

- (1)** The delivery times specified in the order are expressly deemed to be fixed dates between the Supplier and the Customer in the legal sense. If delays are to be expected or have occurred, the Supplier shall notify the Customer immediately in writing.
- (2)** In the event of early delivery, the Customer shall have the option of returning the goods at the Supplier's expense and risk or storing the goods until the agreed delivery date at the Supplier's expense and risk.

§ 8 DELAY

In the event of a delay in delivery on the part of our Supplier, the Customer is entitled, in addition to the further statutory claims, to demand lump-sum damages for delay in delivery amounting to 5% of the delivery value per completed week of performance, but not more than 25% of the total delivery value.

§ 9 CONTRACTUAL PENALTIES

Insofar as the Customer has to provide statutory and/or contractual contractual penalties to its Customers due to the Supplier's delay in delivery, it is agreed that the Customer is entitled to charge these damages to the Supplier in addition to any further claims arising from the contract and/or the law.

§ 10 DEFICIENCIES

- (1)** The Supplier is obliged to carry out an outgoing goods inspection before delivery of the goods to the Customer. The Supplier expressly releases the Customer from the statutory obligation to inspect and give notice of defects in accordance with §§ 377, 378 of the German Commercial Code (HGB), which shall be deemed excluded to this extent.
- (2)** Notwithstanding Section 442 (1) sentence 2 of the German Civil Code (BGB), the Customer shall also be entitled to unlimited claims for defects if the defect remained unknown at the time of conclusion of the contract as a result of gross negligence.
- (3)** The Supplier's goods and services must be suitable for the use stipulated in the contract and/or, if such use is not stipulated, for the customary purpose of use. All of the Supplier's goods must comply with the latest version of all relevant safety regulations and must have been accepted by the competent testing authorities at the time of handover, where necessary, and approved for use for the intended purpose. In particular, the goods must comply with the provisions of occupational safety law, the requirements of the equipment and product safety device, the accident prevention and fire protection regulations and the provisions of environmental law. This deviation from the above specifications shall be deemed a defect in the legal sense.
- (4)** The Supplier is obliged to remedy defects immediately at its own expense either by new delivery or by rectification at the Customer's discretion.
- (5)** Insofar as the Supplier has not fulfilled his obligation of supplementary performance after a one-time deadline of 3 working days set by the Customer (dispatch with the addition of 2 working days shall be deemed as proof of the setting of the deadline), the Customer shall be entitled to assert the statutory warranty rights, in particular to withdraw from the contract. The setting of the period for subsequent performance does not implicitly include the determination of a new delivery date. Damages caused by delay and/or default shall remain expressly unaffected by this passage. The supplementary performance period of 3 working days is expressly regarded as reasonable and agreed between the Supplier and the Customer.

- (6) The Supplier is obliged to compensate all direct and indirect damages incurred by the Customer as a result of the defect, in particular also recall costs, belt stop-page damages, loss of profit and similar.
- (7) The Supplier's liability for material defects towards the Customer shall be 72 months from the transfer of risk. The transfer of risk shall only take place in a legally binding manner if the Customer's order number is stated exactly on all shipping documents and delivery notes and an acceptance of the goods by the Customer has taken place. If the order number is not expressly noted, any delays in processing shall not be the responsibility of the Customer.
- (8) For goods repaired by the Supplier or delivered as a replacement by the Supplier, the liability for material defects shall commence anew from the date of successful repair and/or replacement delivery by the Supplier to the Customer.
- (9) If the defect or a similar defect occurs in more than 1% of the delivered parts, this shall be deemed a serial defect between the parties and the Customer shall be entitled to request subsequent performance for the entire existing delivery quantity and to reject it as defective after expiry of the above-mentioned subsequent performance period as well as to assert the statutory contractually agreed defect claims for these goods.

§ 11 RETENTION OF TITLE

In the event of retention of title by the Supplier, it is expressly agreed that no extended and/or expanded retention of title exists between the Supplier and the Customer and that only simple retention of title is agreed.

§ 12 PROCESSING / MIXING OF MATERIALS PROVIDED

In the event of processing and/or mixing of materials provided by the Customer, whether in embodied or intellectual form, the Customer shall acquire co-ownership of the new item in the ratio of the value of the Customer's item to the other processed items at the time of processing and/or mixing. The co-ownership is already now effectively assigned by the Supplier to the Customer. The Customer hereby already expressly accepts the assignment.

§ 13 LIABILITY

The Customer shall only be liable insofar as it, its executives and/or vicarious agents are guilty of intent, gross negligence or injury to life, limb or health or culpable breach

of material contractual obligations. Except in the cases of sentence 1, the Customer's liability shall be limited to the foreseeable damage typical for the contract. A change in the burden of proof to the detriment of the Supplier is not associated with the above provisions in accordance with this paragraph. In all other respects, the Customer's liability towards the Supplier is excluded.

§ 14

LIABILITY OF THE SUPPLIER

- (1)** The Supplier undertakes to indemnify the Customer in the event of a claim against the Customer by third parties directly or indirectly related to the delivered goods, provided that the damage was caused due to goods delivered by the Supplier.
- (2)** Furthermore, the Supplier undertakes to indemnify the Customer against all claims of third parties, irrespective of whether these are of a contractual or legal nature, insofar as the damage was caused by goods delivered by the Supplier.
- (3)** For all damage, the presumption of damage at the expense of the Supplier applies in principle. In this respect, the Supplier bears the burden of proof that the damage was not caused by him.

§ 15

LIMITATION

Insofar as the Customer is taken into recourse by its Customers in accordance with §§ 478, 479 of the German Civil Code (BGB), the limitation period for the Customer's claims against the Supplier on account of these defects shall commence at the earliest 4 months after the time at which the Customer has fulfilled the claims against its Customers. This suspension of expiry shall end at the latest 10 years after the time at which the Supplier has delivered to the Customer.

§ 16

WITHDRAWAL

The Customer is entitled to withdraw from all business relations with the Supplier if there is good cause. In particular, the Customer and the Supplier agree on the following as good cause:

- a)** The Supplier is more than 5 days in arrears with delivery (decisive delivery date in the Customer's order);
- b)** In the event of operational disruptions occurring at the Customer's works due to force majeure or other impediments for which the Customer is not responsible, such as industrial disputes and/or contract cancellations by its Customers of

contracts which have been the basis for our order from the Customer, regardless of whether these contract cancellations by the Customer's Customers are justified or unjustified.

In all cases in which the Customer is entitled to withdraw from the contract in accordance with this agreement, there shall be no breach of duty on our part. Claims for damages and/or claims of any other kind on the part of the Supplier are excluded in this respect in this case.

§ 17 ADVANCE PAYMENT

Insofar as there are justified doubts about the Supplier's creditworthiness and/or ability to deliver, irrespective of the circumstances, the Supplier shall not be entitled to demand advance payment and/or payment on account for its deliveries unless it provides sufficient security concurrently against the advance payment and/or payment on account in the form of the provision of a directly enforceable bank guarantee on first demand from a major German bank.

§ 18 INDEMNITY OBLIGATION

The Supplier is obliged to indemnify the Customer and the Customer's customers against claims by third parties arising from any infringements of rights by the Supplier's deliveries and to bear all costs and expenses incurred by the Customer in connection with these infringements of rights at the Customer's discretion. This also includes costs and fees of any legal defence due to the infringement of property rights on the basis of the Lawyers' Remuneration Act (RVG) and/or on a reasonable fee agreement.

§ 19 ASSIGNMENT

The Supplier is not entitled to transfer or assign rights and obligations arising from the contractual relationship with the Customer to third parties without the Customer's prior written consent. Should this nevertheless be done by the Supplier, the Customer shall be entitled to continue to make payments to the Supplier with discharging effect even after notification of the assignment and the Supplier shall remain under the obligation to deliver.

§ 20 LIMITATION OF LIABILITY

The Customer's liability within the framework of the contractual relationship with the Supplier is limited to a maximum liability amount of 5% of the order volume with the

Supplier per year and per case of damage, insofar as the Customer, its executive employees and/or its vicarious agents are not guilty of intent. This shall not affect any further liability arising from mandatory, non-conditional law.

§ 21

QUALITY ASSURANCE / PRODUCT LIABILITY

- (1)** The Supplier shall carry out and maintain quality assurance of a suitable type and scope in accordance with the latest state of the art and provide the Customer with evidence of this upon request by the Customer. The Supplier shall conclude a corresponding quality assurance agreement with the Customer to the extent it deems this necessary.
- (2)** The Supplier shall ensure through its own inspections that its deliveries comply with the Customer's technical delivery conditions. The Supplier undertakes to make records of the tests carried out and to archive all test, measurement and inspection results for 10 years. The Customer is entitled to inspect these documents and to make copies at any time.

§ 22

PRODUCT LIABILITY

- (1)** The Supplier undertakes to maintain a product liability insurance with a lump sum coverage of € 10.0 million per person or property damage. If the Customer is entitled to further claims for damages, these shall remain unaffected. The Supplier shall submit the insurance policy to the Customer for inspection upon request.
- (2)** Insofar as the Supplier is responsible for product damage, it shall be obliged to indemnify the Customer in this respect against claims for damages by third parties on first demand.

§ 23

OTHER

- (1)** The place of performance is the registered office of the Customer.
- (2)** The place of jurisdiction is the court responsible for the Customer's registered office.
- (3)** All business relations between the Customer and its Supplier shall be governed by German formal and substantive law to the exclusion of those provisions of German private international law which would lead to the application of foreign legal norms and to the exclusion of bilateral and multinational trade provisions (UN Convention on Contracts for the International Sale of Goods, CISG).

- (4)** There shall be no ancillary agreements to the contractual agreements from this agreement and they shall expressly require the written form. Any implied deviation from this written form requirement shall be deemed excluded between us and the Suppliers. Declarations by our employees are only binding if they have been expressly confirmed in writing by the management.

§ 24

SEVERABILITY CLAUSE

Should individual provisions of this contract be invalid, partially invalid or unenforceable, this shall not affect the validity of the remaining provisions. In place of the invalid, partially invalid or unenforceable provision, the parties agree to set a provision that comes closest to the meaning and purpose of the invalid, partially invalid or unenforceable provision. If the parties fail to reach such an agreement, the invalid, partially invalid or unenforceable provision shall be replaced, at the parties' option, by the legal provision that comes closest to the meaning and purpose of the invalid, partially invalid or unenforceable provision.