

General Terms and Conditions of Sale (GTC)

PE-Packaging GmbH & Co. KG - English translation (for convenience).

General

These General Terms and Conditions of Sale ("GTC") apply to all deliveries and services by PE-Packaging GmbH & Co. KG ("PE"), Reutherstrasse 3, D-53773 Hennef, Germany, in accordance with the contract concluded between PE and the customer.

These GTC apply exclusively. We do not recognise any terms and conditions of the buyer that conflict with or deviate from these GTC unless we have expressly agreed to them in writing. These GTC also apply if, in knowledge of conflicting or deviating terms of the buyer, we perform the contractual services without reservation.

These GTC apply for the entire duration of the business relationship without the need to attach them again to each offer. By placing an order, the buyer agrees to these GTC. We recommend printing and reading the GTC carefully before ordering. The current version may be accessed and printed at www.pe-packaging.de.

In these GTC, references to "we" and "us" mean PE-Packaging GmbH & Co. KG. "Customer" means the client or ordering party. These GTC apply only vis-a-vis entrepreneurs within the meaning of Section 14 of the German Civil Code (BGB) in conjunction with Section 310(1) BGB, legal entities under public law, or special funds under public law.

Product notes

Please observe the following notes regarding our products. Any instructions provided by us in brochures, operating instructions, or other product information must be followed strictly in order to avoid damage.

Any use or treatment of the products beyond the defined fields of application is expressly discouraged. The customer must ensure that any further purchaser or user is adequately informed.

Such notes do not in any case constitute a declaration by us that the notes are complete or exhaustive.

Confidentiality

All commercial or technical information originating from us - including characteristics that may be derived from items handed over, and other knowledge or experience - must be kept confidential vis-a-vis third parties for as long as and to the extent that such information is not demonstrably publicly known or was intended by us for onward sale by the buyer.

Within the buyer's own organisation, such information may be made available only to those persons who necessarily must be involved for its use and who are likewise obliged to maintain confidentiality. Such information remains the exclusive property of PE.

Without our prior written consent, such information may not be reproduced or used commercially. Upon request, all information originating from us - including any copies or notes made - and any items provided on loan must be returned to us or destroyed immediately and completely.

We reserve all rights in the above information, including copyrights and the right to file for industrial property rights such as patents, utility models, semiconductor protection, etc.

Offer; order; tolerances; cancellation

The buyer's order constitutes a binding offer which we may accept within two weeks by sending an order confirmation, by dispatching the goods, or by providing the services. Any offers made by us beforehand are always subject to change and non-binding. The sending of a price list does not constitute an offer. Orders placed in response to general offers, circulars or price lists do not obligate us to deliver.

Type samples from the respective manufacturer are non-binding; they merely describe the general character of the goods and not individual properties. Subsequent deviations from samples are no reason for complaint and do not constitute a defect.

We expressly reserve the right to manufacturing-related overproduction or underproduction and corresponding overdelivery or underdelivery. Overdelivery or underdelivery of up to ten percent of the order quantity is customary in the industry and constitutes contractual performance. In the event of underproduction/underdelivery, there is no entitlement to subsequent delivery of the shortfall.

Information contained in printed matter (e.g., price lists, brochures), in quotations, on electronic media or on our websites, as well as documents belonging to the offer (illustrations, descriptions, drawings, dimensions, weights, other technical data, and cited standards such as DIN/VDE or other internal or external standards and samples) are only approximate unless expressly designated as binding.

Oral or telephone agreements and written or oral arrangements with our representatives are binding on us only if confirmed by us in writing.

If the buyer cancels an order, we may claim at least ten percent of the sales price for costs incurred in processing and for lost profit. Irrespective thereof, the buyer bears all costs incurred by PE up to that time, such as procurement of intermediate products, travel expenses for coordination with PE suppliers, etc.

Delivery terms and delivery periods

The type and scope of delivery are determined by the details in our order confirmation. All trade clauses are governed by the Incoterms in their latest version. Unless otherwise agreed, we deliver EX WORKS.

If the buyer collects the goods, we will notify the buyer in good time that the goods are ready for shipment. The delivery period is met when readiness for shipment has been notified.

If dispatch is delayed due to the buyer's fault, the risk passes to the buyer from the day of readiness for shipment.

We are entitled to have deliveries and services performed by third parties engaged by us. In particular, production of the products may be carried out by third-party companies.

If no fixed delivery date has been agreed, delivery shall be made as early as possible after conclusion of the contract. We may also specify a calendar week as the delivery date.

If the buyer's cooperation is required, the period does not begin until the buyer has fulfilled that obligation.

If delivery periods have been stated by us and made the basis for placing the order, such periods shall be extended in the event of strikes and force majeure for the duration of the delay. The same applies if the buyer fails to meet cooperation obligations.

Compliance with the delivery time presupposes that all commercial and technical questions between the contracting parties have been clarified and that the buyer has fulfilled its obligations, e.g., providing required official certificates or approvals, making a down payment, or providing the information, documents, dimensions and technical requirements needed for customised production. If this is not the case, the delivery time shall be extended appropriately. This does not apply if we are responsible for the delay.

Subsequent changes requested by customers may lead us to suspend delivery or service until feasibility and impacts - especially on costs and scheduling - have been reviewed. Changes become binding only upon our express written confirmation. We may then extend the delivery period appropriately in order to implement the changes.

All delivery periods are subject to timely self-supply. In the event of non-delivery, incorrect delivery, or late delivery by our suppliers, we are entitled to withdraw from the contract.

We are entitled to make partial deliveries. If the goods, whose dispatch has been notified to the buyer, do not arrive at the destination within seven working days, the buyer must inform us immediately.

Delay in delivery; delay in acceptance

If we are in default of delivery, the buyer must, upon request, declare within a reasonable period whether it insists on delivery or asserts its other statutory rights. Where the assertion of the buyer's rights requires setting an additional grace period, such grace period shall be at least two weeks.

The buyer may withdraw from the contract due to delayed delivery only within the limits of the statutory provisions and only insofar as the delay is not attributable to us. Liability in the event of breach of essential contractual obligations within the scope of delivery delay is limited to the damage that is typically foreseeable.

If the buyer is in default of acceptance or otherwise breaches cooperation obligations, we are entitled to give priority to third-party orders and to extend the delivery time appropriately. Without prejudice to further claims, in the event of default of acceptance we may demand compensation for the damage incurred by us, including any additional expenses.

If dispatch or delivery is delayed at the buyer's request by more than one month after notification of readiness for shipment, storage charges of 0.5% of the price of the delivered items per commenced month may be charged, but not more than a total of 5% of the price of the delivered items. The contracting parties remain entitled to prove higher or lower storage costs. Further claims due to default of acceptance remain unaffected.

Packaging

Packaging of the goods is at our discretion, taking into account the transport route, unless the buyer specifies a particular type of packaging.

Unless otherwise agreed, we may choose a transport route at our reasonable discretion. The buyer bears all costs arising from a shipping method expressly chosen by the buyer; this applies to express shipments and overnight deliveries as well, even if we initially advance the expenses.

At the buyer's request and at the buyer's cost, PE will insure the shipment against all insurable risks.

Retention of title; set-off

We retain title to the goods until all claims arising from the business relationship against the buyer have been satisfied, even if the specific goods have already been paid for.

The buyer must notify us immediately of any enforcement measures by third parties against goods subject to retention of title, enclosing the documents necessary for intervention; this also applies to other impairments. Irrespective thereof, the buyer must inform third parties in advance of our rights in the goods. The buyer bears the costs of intervention insofar as the third party is unable to reimburse them.

In the event of resale/lease of the retained goods, the buyer hereby assigns to us, as security until all our claims have been satisfied, the claims arising from such transactions against its customers.

In the event of processing, transformation or combination of the retained goods with another item, we acquire direct ownership of the manufactured item. This is deemed retained goods.

The buyer is not entitled to dispose otherwise of items in our retained or co-ownership or of the claims assigned to us.

During the period of retention of title, the buyer must protect and adequately insure the products against fire, water and breakage damage as well as burglary/theft. If the buyer does not take out such insurance, it must notify us immediately; we are then entitled to insure the products ourselves at the buyer's expense.

In the event of breach of contract by the buyer, payment default, unauthorised disposition of the retained goods, a material deterioration in the buyer's financial situation, bill-of-exchange or cheque protests, or if insolvency proceedings over the buyer's assets are applied for (by the buyer or third parties), opened, or refused for lack of assets, we are entitled to prohibit processing and resale of the retained goods. In these cases we are also entitled to take possession of the retained goods and for this purpose to enter the buyer's premises, request appropriate information, and inspect its books as necessary.

If the value of the security exceeds our claims against the buyer by more than 20%, we will, at the buyer's request and at our choice, release securities to the corresponding extent.

We are entitled to set off and/or to retain payments to the extent permitted by law.

Prices and payment terms

The price stated by us in the order confirmation is binding. The price is stated as a net amount in euros (EUR) and does not include packaging and transport costs unless otherwise agreed between the parties and shown in the order confirmation.

Statutory VAT will be shown separately on the invoice at the statutory rate on the invoice date. Packaging and transport costs are generally also shown separately on the invoice. Tooling, plate and printing costs are borne by the buyer and are likewise shown separately on the invoice date.

In the event of overdelivery or underdelivery, the quantity actually delivered will be invoiced; the price stated by us on the invoice is then binding.

Unless otherwise agreed, the invoice amount is payable within 30 (thirty) days after receipt of the goods without deduction.

Our employees and representatives are entitled to accept payments only if they have written authority to collect. No interest is paid on advance payments or instalments.

Payments must generally be remitted by the buyer, at the buyer's risk and expense, to the account notified by us.

The buyer may set off only if its counterclaims have been finally adjudicated, are undisputed, or have been acknowledged by us. The buyer may exercise a right of retention only if its counterclaim arises from the same contractual relationship.

Acceptance of bills of exchange in lieu of payment requires our prior written consent.

Payment default; deterioration of assets

The buyer is in default if it does not pay the invoice amount within 30 (thirty) days after receipt of the goods and issuance of the invoice. A different period applies only if expressly agreed in writing between the parties.

In the event of default, we are entitled to charge default interest at a rate of 8.00 percentage points above the applicable base interest rate, without a prior reminder being required. If higher interest is due to us under statutory provisions or if higher borrowing costs result in a higher interest burden, we are entitled to charge such interest.

In the event of default, the buyer bears all reminder, collection, recovery and information costs associated with collecting outstanding receivables.

We are entitled to withdraw from the contract if the customer has filed for the opening of insolvency proceedings over its assets, has submitted an affidavit pursuant to Section 807 of the German Code of Civil Procedure (ZPO), insolvency proceedings have been opened, or the opening has been refused for lack of assets.

If the buyer's financial circumstances deteriorate significantly or payment terms are repeatedly exceeded, we are entitled to declare all outstanding receivables immediately due, even if payment terms have not yet been exhausted. In this case we will return bills of exchange accepted on account of payment and demand cash payment or other security from the buyer.

Price adjustment

In principle, the agreed remuneration is payable. For contracts with a delivery period longer than four months or for continuing obligations, we reserve the right to adjust our prices in the same way as our supplier's prices are adjusted or as market prices have increased in the meantime.

If the new price is 20% or more above the agreed price, the buyer has the right to withdraw from the contract. This right must be exercised immediately after notification of the increased price.

Limitation period for our claims

Our claims for payment are time-barred, deviating from Section 195 BGB, after five years. Section 199 BGB applies to the commencement of the limitation period.

Warranty period; liability for defects

The warranty period is two years and begins upon delivery of the product. The limitation period in the event of supplier recourse pursuant to Sections 478 and 479 BGB remains unaffected. This does not apply insofar as claims for damages due to a defect are concerned; Section "Liability for damages" applies to claims for damages.

In the event of delivery of a defective product, the buyer must grant us a reasonable period for subsequent performance. We may, at our choice, remedy the defect by repair or replace the defective product with a new product.

A reasonable period for subsequent performance need not be set if this is dispensable under Section 323(2) BGB, in particular if we seriously and definitively refuse subsequent performance, if performance depends on timeliness, or if special circumstances exist which, weighing both parties' interests, justify immediate withdrawal or immediate claim for damages.

If defects are due to circumstances for which we are not responsible, warranty rights are excluded.

Complaints about obvious defects and quantity deviations are considered only if notified to us in writing without undue delay, at the latest within one week after receipt of the goods. Complaints about hidden defects are considered only if notified to us in writing without undue delay after discovery.

In the event of a defect complaint, the buyer may withhold payments only to an extent proportionate to the material defects that have occurred. The buyer may withhold payments only if a defect complaint is asserted whose justification is beyond doubt. If the complaint is unjustified, we are entitled to

reimbursement of the expenses incurred thereby.

Further statutory claims remain unaffected. Subsequent performance or replacement delivery is deemed to have definitively failed after two attempts.

We do not grant guarantees in the legal sense unless we expressly designate them as such.

If the buyer is entitled to claim damages in lieu of performance, to withdraw from the contract, or to continue to demand subsequent performance, we may request the buyer to exercise its rights within a reasonable period. The buyer must notify us of its decision in writing.

If the buyer does not exercise its rights within the period, damages in lieu of performance may be claimed or withdrawal declared only if a further reasonable period for subsequent performance set by the buyer has expired unsuccessfully.

If we have become active due to a defect report without the buyer having proven a defect, we may demand remuneration for our efforts.

The above rights of the buyer do not apply, unless otherwise agreed, if and to the extent that defects are partly or wholly due to incorrect handling, improper use, unsuitable storage, or failure to follow the manufacturer's instructions or other instructions provided by us for the delivered products.

Deliveries of job lots/batch goods or second-choice goods are always made with the express exclusion of any right to complain about optical defects and other reductions in quality.

Liability for damages

Our liability for contractual breaches of duty and in tort is limited to intent and gross negligence. This does not apply in cases of injury to life, limb or health of the buyer, claims due to breach of cardinal obligations (i.e., obligations arising from the nature of the contract and whose breach jeopardises the achievement of the contract purpose), and compensation for delay damages (Section 286 BGB). In these cases we are liable for any degree of fault.

The above exclusion of liability also applies to slightly negligent breaches of duty by our vicarious agents.

Insofar as liability for damages not based on injury to life, limb or health is not excluded for slight negligence, such claims become time-barred within one year from the arising of the claim, or, in the case of claims for damages due to a defect, from delivery of the item.

Insofar as liability for damages against us is excluded or limited, this also applies with regard to the personal liability for damages of our employees, workers, staff, representatives and vicarious agents.

Force majeure

If a party is prevented by force majeure from fulfilling its contractual obligations, this shall not be deemed a breach of contract and the deadlines specified in the contract or due to the contract shall be extended appropriately for the duration of the impediment.

Force majeure means all circumstances beyond the will and influence of the parties, including, without limitation, natural disasters, governmental measures, administrative decisions, blockades, war and other military conflicts, mobilisation, internal unrest, terrorist attacks, strikes, lockouts and other labour unrest (including at suppliers), seizure, embargo, or other circumstances that are unforeseeable, severe, and not caused by the parties and that occur after conclusion of the contract.

The parties are released from their obligations under these terms to the extent they prove that the impediment arose outside their sphere of influence and occurred after signing of the respective supply contract.

Each party shall do everything within its power that is necessary and reasonable to mitigate the effects caused by force majeure. The party affected by force majeure shall promptly notify the other party in writing of the beginning and end of the impediment.

If force majeure circumstances or circumstances outside the parties' sphere of influence continue for more than two months, the parties will agree on the continuation of the contract. If no agreement is reached, the party not affected by such circumstances has the right to terminate the contract by a unilateral written declaration without observing a further notice period.

Third-party industrial property and copyright rights

We are not liable for claims arising from the infringement of third-party industrial property rights or copyrights ("IP rights") if the IP right is or was owned by the buyer or by a company directly or indirectly majority-owned by the buyer in terms of capital or voting rights.

We are also not liable for such claims if at least one IP right from the relevant IP family has not been published either by the European Patent Office or in one of the states Germany, France, Great Britain, Austria, or the USA.

The buyer must inform us immediately of any known (alleged) IP infringements or related risks and, at our request and insofar as possible, allow us to conduct any legal disputes (including out of court).

At our choice, we are entitled to obtain a right of use for the infringing product, modify it so that it no longer infringes the IP right, or replace it with an equivalent product that does not infringe the IP right.

If this is not possible for us on reasonable terms or within a reasonable time, the buyer - provided it has enabled us to carry out a modification - has the statutory rights of withdrawal. Under the same conditions, we also have a right of withdrawal.

We reserve the right to take the measures available under this clause even if the IP infringement has not yet been finally established or acknowledged by us.

Claims of the buyer are excluded to the extent the buyer is responsible for the IP infringement or does not support us to an adequate extent in defending against third-party claims.

Claims are also excluded if the products are manufactured according to the buyer's specifications or instructions, or if the (alleged) infringement results from use in conjunction with another item not originating from us, or if the products are used in a manner not foreseeable by us.

If the manufacture or distribution of items is based on drawings, samples or other documents or instructions of the buyer and this results in an infringement of third-party rights (in particular industrial property rights), the buyer shall hold us harmless and indemnify us.

Any further or other claims of the buyer due to infringement of third-party IP rights beyond those regulated in this clause are excluded.

Seller's property and copyright

We reserve all property rights and copyrights in quotations, drawings, plans and other documents and information of a tangible or intangible nature, including in electronic form. Such materials may be made accessible to third parties only with our prior written consent.

Moulds and tools required to manufacture the products remain our property even if the costs of use and wear of the moulds and tools form part of the sales price.

Form requirements

Legally relevant declarations and notices that the buyer must make to us or to third parties must be in writing. Oral assurances by our representatives or other assistants require our written confirmation.

Place of performance; choice of law; jurisdiction

Unless otherwise provided in the contract, the place of performance and payment is our registered office.

German law applies to the contract and to all disputes arising from or in connection with the business relationship between us and the buyer, excluding the UN Convention on Contracts for the International Sale of Goods (CISG). Statutory provisions on jurisdiction remain unaffected unless otherwise provided by the special rule below.

Exclusive place of jurisdiction for contracts with merchants, legal entities under public law or special funds under public law is the court responsible for our registered office. However, we are also entitled to sue the buyer at its general place of jurisdiction.

Severability clause

If one or more provisions are or become invalid, this does not affect the validity of the remaining provisions.