

## General Terms of Business

for business people and legal entities as per § 24 AGB-law (German law ruling general terms of business)

### 1. Introduction

- 1.1. Our offers are without obligation. Any contracts, changes or amendments are only legally binding if they have been confirmed in writing. These confirmations having the same effect can also be combined with an invoice on a form marked as "Order confirmation and invoice". Deviating conditions of the buyer or any other contract partner will only be valid if they have been explicitly accepted in writing by our management.
- 1.2. In addition, our terms of business are also binding for any future business once the buyer or any business partner have received and accepted them for the first business transaction.
- 1.3. In case that individual stipulations of our terms of business are ineffective, impracticable or incomplete, these will be replaced by some other stipulations which come closest to our contractual intention and which are effective, practicable and complete. The effectiveness of the other stipulations will not be impaired hereby.

### 2. Prices

- 2.1. Our prices are net prices, not including the current value-added tax which is valid on the day of delivery. They are to be understood ex works, the costs for packing and dispatch are included. Any return transport costs that might arise are at the expense of the buyer.

### 3. Packing, dispatch, transfer of dangers

- 3.1. Unless otherwise stipulated, we are free to choose to the best of our judgement packing and the mode of dispatch.
- 3.2. Also in the case of freight prepaid, danger is transferred to the buyer as soon as the goods have left the warehouse or the subsidiary. In the case of delay caused or to be justified by the buyer, transfer of danger already becomes effective after readiness for dispatch has been signalled.
- 3.3. Upon the buyer's written request and at his own expense, the goods can be insured against damages caused by storing, breakage, transport and fire.

### 4. Obligation of delivery and acceptance

- 4.1. Only our explicit order confirmation is relevant for the delivery dates. We only have to deal with a "quick business" if it has been confirmed in writing with this explicit name by our company management. The delivery date is to be understood as met as soon as readiness for dispatch has been signalled, also if dispatch is impossible through no fault of ours.
- 4.2. In the case of force majeure on our site or on our sub-suppliers', the delivery time will be prolonged accordingly. This also applies for official interventions, short supplies of energy or material, strikes, lockouts and unforeseeable delivery obstacles. We will do our best to keep the adverse effects as low as possible for our customers.
- 4.3. If a customer can prove that we are to blame for not meeting a binding delivery date, he is entitled to withdraw from the contract after an appropriate extension of time, any other claims being excluded; or he can demand a compensation for our delay in delivery if he refused to accept our fulfillment within the extended delivery period proposed by us in combination with the notification of the delivery time to be extended. The indemnification for a delay in delivery amounts to ½ % for each full week of delay, not exceeding 5 % of the net price of the goods which have not been delivered according to the contract. Adequate partial deliveries are admissible, so are deviations of +/- 20% from the original confirmed orders for technical parts or articles which have to be manufactured individually, be printed or be stamped.
- 4.4. Unless bigger tolerances have to be applied for special products, we reserve the right to tolerances in thickness and weight according to GKV's latest test and assessment clauses. This is applicable for all our products made of plastic foils. Furthermore, we reserve the right to tolerances of +/- 5 % in length and width, or to a minimum tolerance of 10 mm.

### 5. Reservation of property clause

- 5.1. We reserve the right of property for the goods delivered until the buyer has settled all our claims, this is also applicable if the price for specifically marked claims has been paid. In the case of current accounts, the reservation of property of the deliveries (reserved goods) is considered as a safeguard for our balance.

- 5.2. The buyer's processing or working of the goods excludes the right of acquisition of property according to §950 BGB (German Civil Law) on our behalf. We remain the owners of the newly developed articles, which serve as reserved goods to safeguard our claims as per article 5.1.
  - 5.3. When the buyer processes (combines/mixes) the goods with others which are not ours, the stipulations of §§ 947, 948 BGB are to be applied, which have the consequence that due to our sole ownership or co-ownership the new articles are to be considered as reserved goods as defined by these terms.
  - 5.4. In case that the stipulations mentioned above are not sufficient to maintain our right of ownership, preventive transference to us constituting ownership is to be considered as agreed upon. The buyer/processor only owns the goods in the sense of keeping them.
  - 5.5. In usual business transactions, the buyer is entitled to resell the goods subject to the reserved right of property or to preventive transference only upon the condition that he and his customers agree on the reservation of property clause and preventive transference according to articles 5.1 to 5.4. The buyer is not entitled to any other rights of disposal, such as pawning or preventive transfer of ownership of the goods subject to the right of property clause.
  - 5.6. In the case of reselling, the buyer herewith already cedes us any claims resulting from reselling and any other claims including any subsidiary rights to his customers until he has paid all our accounts receivable. Upon our request, the buyer will be obliged to give us any information or documents which will be necessary to assert our rights to the buyer's customers.
  - 5.7. If the buyer resells the goods subject to the reservation of property clause after their processing as per 5.2. and/or 5.3. together with other products which are not ours, the cession of the purchase price claim as per 5.6. will only be applicable up to the legal value of the reserved goods.
  - 5.8. If the value of the securities existing for us exceeds our claims by more than 20%, we will be obliged upon the buyer's request to release securities which we will be free to choose.
  - 5.9. Information about attachments or seizures of the reserved goods by third parties is to be given without delay. Intervention costs arising thereof will be at the buyer's expenses.
  - 5.10. If we decide to take back goods subject to the reservation of property clause in accordance with the stipulations mentioned above, we are entitled to freely sell the goods or to have them auctioned off. Taking back the reserved goods will be based on the profits gained not exceeding the delivery prices agreed upon. We reserve the right to assert further claims for damages, in particular for lost profits.
6. Terms of payment
- 6.1. Net payments have to be effected within 30 days after the date of the invoice.
  - 6.2. If the buyer falls into arrears with payments, we will charge default interest amounting to 7% over the current base interest rate of the Deutsche Bundesbank (German Central Bank), unless the current interest rates are higher or we prove higher debtor interests or higher property investment interest rates.
  - 6.3. Drafts will not be accepted, and cheques are subject to fulfilment, any costs arising thereof will be at the buyer's expenses. Any other steps such as balancing the costs, refusal of fulfilment or claiming the right of lien by the buyer based on counterclaims contested by us are not admissible.
  - 6.4. Non-compliance with our terms of payment or any circumstances which are suitable to diminish the creditworthiness of the buyer, will lead to the immediate maturity of all our outstanding claims. In addition, we will be entitled to ask for an advance payment for outstanding deliveries as well as to withdraw from the contract after an adequate extension of time or to claim indemnification for damages due to non-compliance, or to prevent the buyer from reselling the goods and to fetch them back at the buyer's expense.
7. Liability for defects and wrong deliveries
- 7.1. Notice of defective or wrong deliveries has to be given without delay but within 1 week after receipt of the delivery at the latest. In the case of hidden defects, the date when these are detected replaces the date of receipt of the delivery. Complaints will no longer be admitted after a period of 3 months after the date of receipt of the delivery.
  - 7.2. In the case of a justified notice of defects – bearing in mind that the samples released for production by the buyer constitute the basis for quality and design of the goods – we are free to choose between repairs and compensating deliveries free of charge. If we do not comply with this obligation within an adequate period of time, the buyer will be entitled to declare depreciation, transformation or withdrawal from the contract. Any other claims, which might be

legally admissible, will be excluded. Upon request, any parts which have been replaced can be sent back to us unfranked.

8. Protective rights

- 8.1. The buyer is liable for the non-application of protective rights of third parties to the deliveries and performance ordered, he releases us from any claims of that sort and has to compensate for the damage arisen.
- 8.2. The buyer is only allowed to pass on our drafts and construction sketches when authorised by us.
- 8.3. Details of the buyer's company will be stored in our computers. The data will be exclusively used for business with his company.

9. Place of fulfilment and legal domicile

- 9.1. Montabaur/Germany is the place of fulfilment and legal domicile, also for documents, draft and cheque lawsuits.