

**General Terms and Conditions of Sale and Delivery
of EPROPLAST GmbH, An der Asbacher Straße 38, D-98574 Schmalkalden, Germany
Status: October 01, 2022**

1. General

- 1.1 For our ("EPROPLAST GmbH") deliveries and services these General Terms and Conditions of Sale and Delivery apply exclusively; we only accept general terms and conditions of the customer that are contrary to or deviate from our General Terms and Conditions of Sale and Delivery insofar as we have expressly agreed to them in writing. They shall also have no effect if we have not objected to them in individual cases.
- 1.2 The provision of Clause 1.1 shall also apply to all future transactions with the customer.
- 1.3 The assignment of claims against us to third parties is excluded. § Section 354a of the German Commercial Code (HGB) shall remain unaffected.
- 1.4 The customer shall only be entitled to set-off, even if claims for defects or counterclaims are asserted, if the asserted claims have been legally established, have been acknowledged by us or are undisputed. The customer shall only be entitled to exercise a right of retention if the counterclaim is based on the same contractual relationship from which the customer's payment obligation arises.
- 1.5 The sale, resale and disposition of the supplies and services as well as any related technology or documentation may be subject to German, EU, US export control law and, if applicable, the export control law of other countries. By placing an order, the customer declares compliance with such laws and regulations. The customer agrees to obtain all necessary permits for export or import.

2. Offer / Scope of Delivery

- 2.1 Our offers are subject to change. The offers represent a non-binding invitation to the customer to order supplies and services from us.
- 2.2 By sending the order to us, the customer makes a binding offer to conclude a contract.
- 2.3 We may accept this offer within a period of 14 calendar days by sending an order confirmation or by sending the ordered goods or by commencing the provision of services. After fruitless expiry of this period, the offer shall be deemed to have been rejected.
- 2.4 Deviations from product specifications are permitted, provided they are insignificant.
- 2.5 We reserve the property rights and copyrights to catalogs, advertising materials, illustrations, calculations and other documents. This also applies to such written documents which are designated as "confidential". The customer must obtain our express written consent before passing them on to third parties.

3. Information / Advice

To the best of our knowledge, we provide information and advice regarding application technology based on our experience. However, all data and information on the suitability and application of our goods are non-binding and do not exempt the customer from carrying out their own tests. Clauses 9 and 10 of these terms and conditions shall apply to any liability.

4. Prices

- 4.1 Unless otherwise stated in our order confirmation, our prices shall be "ex works/Ex Works" (Incoterms 2010), excluding packaging, insurance, freight and, if applicable, minimum quantity surcharge. These items will be invoiced separately.
- 4.2 All prices are net prices without value added tax. This will be shown separately in the invoice at the statutory rate on the day of invoicing (currently 19%).
- 4.3 We reserve the right to change our prices accordingly if, after conclusion of the contract, cost reductions or cost increases occur, in particular as a result of collective wage agreements or changes in the price of raw materials and/or materials or changes in the price of operating materials required for the manufacture of the goods (including electricity, gas, etc.). Upon request, we shall provide the customer

with the respective proof. §§ Sections 313, 315 (3) BGB shall apply accordingly. If the customer cannot reasonably be expected to accept the goods as a result of the price change, he shall be entitled to withdraw from the contract. To be clear: The mere reduction of a profit margin does not lead to the unreasonableness of the performance of the contract.

5. Payments

- 5.1 Unless otherwise stated in the order confirmation, payments shall be due without deduction within 10 days of the invoice date. In the event of default in payment, the provisions of Clause 5.2 shall apply as well as, in addition thereto, the statutory provisions regarding default in payment.
- 5.2 Bills of exchange and checks shall only be considered as payment after they have been cashed and shall be accepted without any obligation to present and protest them in due time and only upon special written agreement and subject to the charging of all collection and discount fees.
- 5.3 In the event of default in payment or if our claims are jeopardized by deterioration of the customer's creditworthiness, we shall be entitled to call in our claims arising from the business relationship with the customer. We shall then also be entitled to make outstanding deliveries only against advance payment or against provision of securities. If the customer is not able to provide securities within a reasonable period of time after setting a deadline with the threat of withdrawing from the contract if necessary, we shall have the right to withdraw from the contract. Further claims shall remain unaffected.
- 5.4 We shall be entitled to charge interest on arrears at a rate of 9 percentage points p.a. above the prime rate of the ECB as applicable from the time of default. This shall be without prejudice to the possibility of claiming higher actual damages.

6. Delivery and delivery time

- 6.1 Unless otherwise expressly agreed, we shall deliver "ex works/Ex Works" (Incoterms2010), exclusive of packaging and insurance, freight and, if applicable, minimum quantity surcharge.
- 6.2 Delivery dates and delivery periods, which may be agreed upon as binding or non-binding, shall be stated in writing and shall only be agreed upon with the reservation of correct and timely self-delivery (inter alia disruptions of the supply chain - transport, intermediaries) by our suppliers beyond our control.
- 6.3 The agreed delivery/performance period shall be deemed to have been complied with if, by the time it expires, the delivery item is ready for collection at the factory or warehouse or we have offered our performance at least verbally.
- 6.4 Unforeseeable, extraordinary circumstances independent of our will (force majeure) which have a significant, unavoidable influence on the fulfillment of the contractual obligation such as e.g. fire, floods, storms, explosions, natural disasters, war, sabotage, labor disputes (including lockouts and strikes), governmental actions and orders (whether valid or invalid), cyber-crime by third parties, pandemic/epidemic, shortages of raw materials and energy, traffic and unavoidable operational disruptions, orders of higher authorities - also insofar as they make the performance of the affected business permanently uneconomical for the foreseeable future - as well as all other cases of force majeure, this includes also our suppliers, shall release us from the obligation to deliver for the duration of the disruption and their impact. In case of such events, we are entitled to withdraw from the contract in whole or in part without the buyer having a right to compensation.
- 6.5 Partial deliveries/services are permissible and shall be paid for in accordance with the conditions, insofar as they are reasonable for the customer.

7. Transfer of risk and acceptance in case of shipment, default of acceptance

- 7.1 The collection/acceptance of the goods/services must be carried out by the customer immediately after the goods have been made available in the factory or warehouse or after the service has been offered verbally.
- 7.2 If the goods are shipped to the customer at the customer's request, the risk of accidental loss or accidental deterioration of the goods shall pass to the customer upon dispatch of the goods, at the latest upon leaving the factory or warehouse. This applies regardless of who bears the freight costs. In the absence of any written agreement to the contrary, curbside delivery is agreed. The customer guarantees free access to the unloading point. Additional costs for transport due to non-fulfillment of the customer's obligations shall be borne by the customer. Complaints due to transport damage must be made by the customer directly to the transport company within the special deadlines provided for this purpose. The

buyer is responsible for taking out transport and other insurances. If the shipment of the delivery is delayed for reasons attributable to the customer, the risk of accidental deterioration and accidental loss shall pass to the customer upon notification of readiness for shipment. Storage costs after transfer of risk shall be borne by the customer. Further claims shall remain unaffected. If the customer is in default of acceptance, we shall be entitled to demand reimbursement of the expenses incurred by us; the risk of accidental deterioration and accidental loss shall pass to the customer upon occurrence of the default of acceptance. In this case, the customer shall be in default of acceptance if he/she has not accepted the goods within two weeks after notification of readiness for dispatch.

- 7.3 If the customer is in default of acceptance, we are entitled to demand reimbursement of the expenses / damages incurred by us; the risk of accidental deterioration and accidental loss shall pass to the customer upon occurrence of the default of acceptance.
- 7.4 Subject to proof of a different amount of damage, we shall be entitled to demand 10% of the net invoice amount as compensation. As costs of storage for goods not accepted on time, the customer shall be charged 0.5% of the net invoice amount per month as damages from the 1st month after notification of readiness for shipment.
- 7.5 Goods/services are to be accepted by the customer, even if they have insignificant defects, without prejudice to the rights under Section 9 of these Terms and Conditions.

8. Retention of title

- 8.1 The delivery items/goods shall remain our property (reserved goods) until all claims, irrespective of their legal basis, arising from the legal relationship underlying the delivery have been satisfied.
- 8.2 In the event of processing, combination and mixing of the reserved goods with other goods by the customer, we shall be entitled to co-ownership of the new item in the ratio of the invoice value of the reserved goods to the value of the other goods used. If our ownership expires as a result of processing, combining or mixing, the customer shall already now transfer to us the ownership rights to which it is entitled in the new stock or item to the extent of the value of the goods subject to retention of title and shall hold them in safe custody for us free of charge. The co-ownership rights arising hereunder shall be deemed to be reserved goods within the meaning of Clause 8.1.
- 8.3 The customer shall only be entitled to further process the reserved goods, to combine and mix them with other items or to resell them in the ordinary course of business and as long as he is not in default. Any other disposal of the reserved goods is not permitted. We must be notified immediately of any seizure or other access to the reserved goods by third parties. All intervention costs shall be borne by the customer insofar as they cannot be collected by the third party. If the customer grants his customer a deferral of the purchase price, he shall reserve title to the goods subject to retention of title in relation to the customer under the same conditions under which we reserved title upon delivery of the goods subject to retention of title. Otherwise, the customer shall not be authorized to resell the goods.
- 8.4 The customer's claims arising from the resale of the reserved goods are hereby assigned to us. They shall serve as security to the same extent as the reserved goods. The customer shall only be entitled and authorized to resell the goods if it is ensured that the claims to which it is entitled therefrom are transferred to us.
- 8.5 If the reserved goods are sold by the customer together with other goods not supplied by us at a total price, the assignment of the claim from the sale shall be made in the amount of the invoice value of our reserved goods sold in each case.
- 8.6 The customer shall be authorized to collect the claims assigned to us until revoked by us. We shall be entitled to revoke this authorization if the customer fails to meet its payment obligations arising from the business relationship with us in due time. If the conditions for exercising the right of revocation exist, the customer shall, at our request, immediately disclose to us the assigned claims and their debtors, provide all information required to collect the claims, hand over the relevant documents and notify the debtor of the assignment. We shall also be entitled to notify the debtor of the assignment ourselves.
- 8.7 If the value of the securities existing for us exceeds the secured claims by more than thirty (30) percent in total, we shall be obliged to release securities of our choice to this extent at the customer's request.
- 8.8 If we assert the reservation of title, this shall only be deemed to be a withdrawal from the contract if we expressly declare this in writing. The customer's right to possess the goods subject to retention of title shall expire if he fails to fulfill his obligations under the legal relationship underlying the delivery.

9. Warranty, material defects

- 9.1 The customer's warranty claims in the event of defects shall be governed by the statutory provisions within the statutory periods, unless deviations result from the following provisions.
- 9.2. The applicability of § 439 sections 2 and 3 BGB and §§ 445a and 445b BGB shall be excluded. The foregoing does not apply if a defect in performance caused by us becomes the subject of a warranty claim of a consumer downstream in the supply chain, either in whole or in part. In any case, § 377 HGB [German Commercial Code] shall apply.
- 9.3 When buying new delivery items, the customer's warranty claims for defects expire one year after receipt of the delivery items.
- 9.4 In case of the purchase of used delivery items, the customer's warranty claims shall be excluded. Warranty claims shall also be excluded if there is evidence that
- a) the goods have been improperly handled or overused, or
 - b) the goods have previously been improperly repaired, maintained or serviced in an operation not directly recognized by us for servicing and the customer should have recognized this, or
 - c) parts have been installed in the goods the use of which we have not directly approved, or
 - d) the goods have been modified in a manner not directly approved by us, or
 - e) the customer has not complied with the instructions for handling, maintenance and care of the goods (e.g. operating instructions).
- 9.5 The limitation period of one year or the exclusion of warranty shall not apply if the obligation to pay compensation is based on bodily injury or damage to health due to a defect for which we are responsible or on intentional conduct or gross negligence or its vicarious agents. Notwithstanding the foregoing, we shall be liable under the [German] Product Liability Act without any deviation from the statutory provisions therein.
- 9.6 The warranty shall not apply if the customer modifies the delivery items without our consent, has them modified by third parties or uses them improperly and the rectification of defects is thereby rendered impossible or unreasonably difficult. In any case, the customer shall bear the additional costs of remedying the defect resulting from the modification.
- 9.7 The customer shall be obliged to inspect the delivery item/service for any defects upon handover and to notify us of such defects in writing without delay. The relevant regulations and legal consequences of the German Commercial Code shall apply accordingly.
- 9.8 If a notice of defect proves to be unjustified, the customer shall reimburse us for all expenses incurred by us as a result thereof.

10. Liability for damages due to fault

- 10.1 Our liability for damages, irrespective of the legal grounds, in particular due to impossibility, delay, defective or incorrect delivery, breach of contract, breach of duties during contract negotiations and tort, shall be limited in accordance with this Clause 10, insofar as fault is involved in each case.
- 10.2 We shall not be liable in the event of ordinary negligence, unless it is a breach of material contractual obligations. Material contractual obligations are those obligations which grant the contracting parties the right which the contract is intended to grant according to its content and purpose, in particular those obligations whose fulfillment is essential for the proper performance of the contract and on whose fulfillment the contracting party regularly relies and may rely.
- 10.3 Insofar as we are liable for damages on the merits in accordance with Section 10.2, this liability shall be limited to damages which we foresaw as a possible consequence of a breach of contract at the time of conclusion of the contract or which we should have foreseen by exercising due care. Indirect damage and consequential damage resulting from defects in the delivered goods shall also only be compensable insofar as such damage is typically to be expected when the goods are used for their intended purpose.
- 10.4 In the event of liability for simple negligence, our liability for damage to property and further financial losses resulting therefrom shall be limited to an amount of EUR 50,000 per case of damage (corresponding to the current coverage amount of our product liability insurance or liability insurance), even if a breach of material contractual obligations is involved.
- 10.5 The above exclusions and limitations of liability shall apply to the same extent in favor of our corporate bodies, legal representatives, employees and other vicarious agents.

- 10.6 Insofar as we provide technical information or act in an advisory capacity and this information or advice is not part of the contractually agreed scope of services owed by us, this shall be done free of charge and to the exclusion of any liability.
- 10.7 The limitations of this Clause 10 shall not apply to our liability for intentional and grossly negligent conduct, for guaranteed characteristics, for injury to life, body or health or under the Product Liability Act.

11. Molds (Tools)

- 11.1 The price for molds shall also include the costs for one-time sampling, but not the costs for testing and processing devices and for modifications initiated by the customer. Costs for further sampling for which we are responsible shall be borne by us.
- 11.2 Unless otherwise agreed, we are and shall remain the owner of the molds produced for the customer by ourselves or by a third party commissioned by us. If expressly agreed, molds shall only be used for orders placed by the customer as long as the customer meets his payment and acceptance obligations. We are only obliged to replace these molds free of charge if they are required to fulfill an output quantity assured to the customer. Our obligation to store them expires one year after the last delivery of parts from the mold. The customer shall be informed prior to any disposal.
- 11.3 If a contract is terminated but the molds have not yet been amortized, we shall be entitled to invoice the remaining amortization amount in full without delay.
- 11.4 If, as agreed, the customer is to become the owner of the molds, ownership shall pass to him after full payment of the purchase price for the molds. The transfer of the molds to the customer shall be replaced by storage for the benefit of the customer. Irrespective of the customer's legal claim to surrender and of the service life of the molds, we shall be entitled to their exclusive possession until the termination of the contract. We shall mark the molds as third-party property and insure them at the customer's request and expense.
- 11.5 In the case of customer-owned molds pursuant to Clause 11.4 and/or molds provided by the customer on loan, our liability with regard to storage and maintenance shall be limited to the care we take in our own affairs. Costs for maintenance and insurance shall be borne by the customer. Our obligations shall lapse if the customer fails to collect the molds within a reasonable period of time after completion of the order and a corresponding request. As long as the customer has not fully complied with his contractual obligations, we shall in any case have a right of retention to the molds.
- 11.6 If the customer places an order for the construction of an individual injection mold or bottle mold of his own according to his own construction and design specifications, the customer warrants to us that the mold is free of defects in title, i.e. his product is free of third party rights.

12. Drafts / Clichés / Documents

- 12.1 We shall retain sole ownership as well as the right of execution and copyright to our drafts, documents, illustrations, drawings and other documents. If the customer provides templates and ideas, we shall receive joint copyright to the extent that the template or draft was designed by us.
- 12.2 If no order is placed, the customer shall be obliged to return to us without delay all documents handed over to him, including any copies made. Digital copies must be permanently destroyed.
- 12.3 When providing templates and ideas, the customer shall indemnify us against any claims by third parties asserting rights thereto.
- 12.4 The drafts, final artwork, clichés and the like produced by us shall remain our property, even if the customer has been charged for the production costs.

13. Provision of Materials

- 13.1 If materials are supplied by the customer, they shall be delivered in good time and in perfect condition at the customer's expense and risk with a reasonable quantity surcharge of at least 5%.
- 13.2 If these conditions are not met, the delivery time shall be extended accordingly. Except in cases of force majeure, the customer shall also bear the additional costs incurred for interruptions in production.

14. Industrial Property Rights and Defects of Title

- 14.1 If we have to deliver according to drawings, models, samples or using parts provided by the customer, the customer shall be responsible for ensuring that industrial property rights of third parties in the country of destination of the goods are not infringed thereby. We shall inform the customer of any third-party rights known to us, but shall not be obliged to carry out our own searches. The customer shall indemnify us against claims of third parties upon first request and pay compensation for any damage incurred. If a third party prohibits us from manufacturing or delivering with reference to an industrial property right belonging to such third party, we shall be entitled - without examining the legal situation - to discontinue work until the legal situation has been clarified by the customer and the third party. If the continuation of the order is no longer reasonable for us due to the delay, we shall be entitled to withdraw from the contract.
- 14.2 Drawings and samples provided to us which have not led to an order shall be returned upon request; otherwise we shall be entitled to destroy them three months after submission of the offer. This obligation shall apply accordingly to the customer. The party entitled to destroy the samples shall inform the contracting party of its intention to destroy them in good time in advance.
- 14.3 We shall be entitled to the property rights, copyrights and, if applicable, industrial property rights, in particular all rights of use and exploitation to the models, molds and devices, drafts and drawings designed by us or by third parties on our behalf. Upon request, the customer shall immediately return to us the documents, molds, samples or models, including any copies made.
- 14.4 In the event of other defects of title, Clause 14 shall apply accordingly.

15. Quality characteristics, quantity and design tolerances

- 15.1 The quantities stated in the order acceptance shall be complied with as far as possible. However, deviations cannot be objected to, especially in the case of custom-made products and pallet-packed goods, provided that they do not exceed 10%. In the case of small orders, this percentage may be exceeded as original cartons are not broken.
- 15.2 All data concerning weight, contents, dimensions, etc. are to be regarded as average values; unless limits for permissible deviation are expressly specified, deviations within the limits of what is customary in the trade shall be deemed permitted.
- 15.3 Since the filling material is not known, we shall not be liable for the compatibility of our goods and the filling material. This refers to the physical properties, chemical resistance of the products and compliance with prescribed color shades.

16. Food grade and recycled materials

- 16.1 If a product is to be used for contact with foodstuffs, the suitability of the material for the specific foodstuff must be tested in advance by the customer on his own responsibility.
- 16.2 Recycled raw materials are carefully selected by us. Regenerated plastics may nevertheless be subject to major variations in surface quality, color, purity, odor and physical or chemical properties from batch to batch. Therefore the foregoing does not entitle the customer to give notice of defects to us. However, we shall, upon request, assign to the customer any claims against upstream suppliers; we do not assume any warranty for the existence of such claims.

17. Data Processing and Miscellaneous

- 17.1 We store and transmit the order-related personal data of the customer exclusively for the processing and handling of his order (Art. 6 GDPR). In accordance with the provisions of the GDPR, the Federal Data Protection Act and the Telemedia Act (TMG), we are committed to comprehensive protection of the customer's personal data.
- 17.2 We are - not - willing to participate in a dispute resolution procedure (Sections 36, 37 VSBG).
- 17.3 The substantive law of the Federal Republic of Germany shall apply; the applicability of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.

- 17.4 Unless otherwise stated in the order confirmation, our registered office in Schmalkalden shall be the place of performance.
- 17.5 If the Customer is a merchant, a legal entity under public law or a special fund under public law, Schmalkalden shall be the exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship. The same shall apply if the customer has his/her seat of business abroad. However, we shall also be entitled to sue the customer at the courts having jurisdiction at his/her place of business.