

General Terms and Conditions of Purchase of the Plastics Packaging Industry

(Based on the non-binding condition recommendation issued by the IK Industrievereinigung Kunststoffverpackungen e.V. [Plastic Packaging Industry Association] on May 01, 2009)

I. Conclusion of Contract

1. All orders of the Purchaser shall be placed exclusively on basis of these General Terms and Conditions of Purchase. Any other conditions, in particular sales or delivery conditions of the Supplier, shall not become part of the contract, even if the Purchaser does not expressly object to them. These General Terms and Conditions of Purchase shall also apply to all subsequent orders or contractual relationships between the Supplier and the Purchaser.
2. If the Purchaser's order is not confirmed in writing within 5 working days of receipt, the Purchaser shall be entitled to cancel the order.
3. Only orders placed in writing shall be binding. Orders placed orally or by telephone shall require subsequent confirmation by a letter of confirmation from the Purchaser in order to be valid. Verbal subsidiary agreements and amendments to the contract shall also be confirmed in writing.

II. Offer and Conclusion of Contract

1. In its offers, the Supplier shall comply with the orders, tenders and any drawings specified or approved by the Purchaser with regard to quantity, quality and design. The Supplier shall expressly notify the Purchaser in writing of any intended or existing deviations. Any deviations require the written consent of the Purchaser.
2. Orders do not require any special form in order to be valid. They may be placed in writing or verbally. In the case of verbal orders, the Supplier shall state the name of the person placing the order on the delivery bill and invoice.

III. Prices, Shipping, Packaging

1. All prices agreed upon are fixed prices and shall exclude any subsequent claims whatsoever. These prices include costs for packing and transport as well as customs formalities and duties. If the Supplier's prime costs change by more than 10% and this was not foreseeable for the Parties, each party shall be entitled to demand a renegotiation of the prices. Except in cases of frustration of purpose (Section 313 German Civil Code - BGB), however, the Purchaser shall not be obliged to accept changed prices, in particular higher prices, .
2. Dispatch notes, consignment notes, invoices and all correspondence must contain the order number of the Purchaser.
3. Shipment shall be made at the expense and the risk of the supplier to the agreed place of delivery.
4. The obligation to take back packaging shall be governed by the statutory provisions.

IV. Invoices and payment

1. Invoices must be submitted after delivery including all agreed details and documents and in the absence of an agreement with the customary documents. Incorrect invoices shall be deemed to have been received by the Purchaser no earlier than the date on which they are corrected.
2. Payment shall be made in accordance with standard commercial practice up to 14 days after delivery/service and receipt of invoice with a 3%

discount, or within 30 days net. The later date shall be decisive for the commencement of the payment periods. If payment is made by check, payment shall be deemed to have been made upon receipt of the check by the Supplier.

V. Delivery Dates, Delay in Delivery and Force Majeure

1. The Supplier is obliged to adhere strictly to the agreed and binding delivery dates. The receipt of goods at the agreed place of delivery shall be decisive for compliance.
2. If it becomes apparent that a delivery date will be exceeded, the Supplier shall immediately inform the Purchaser in writing of the reason and the expected duration. Notwithstanding the above, failure to meet a deadline shall cause the consequences of default. In urgent cases, in particular in order to avoid a production breakdown or with regard to its own delivery obligations, the Purchaser shall be entitled to obtain supplies elsewhere at the Supplier's expense without further ado.
3. In case of force majeure and labor disputes, the Parties shall be released from their obligation to perform for the duration of the disruption. The Parties shall be obliged to provide the necessary information without delay within the bounds of what is reasonable and to adjust their mutual obligations to the changed circumstances in good faith. If the Purchaser is no longer interested in the delivery due to the delay, the Purchaser shall be entitled to withdraw from the contract after prior notice.
4. In the event of a delay in delivery, the Purchaser shall be entitled to claim damages and/or rescind the contract in accordance with the statutory provisions.
5. In the event of earlier delivery than agreed, the Purchaser reserves the right to return the goods at the Supplier's expense. If no return is made in the case of early delivery, the goods shall be stored at the Purchaser's premises until the delivery date at the Supplier's expense and risk. Only the agreed delivery date is decisive for the payment.
6. Partial deliveries will only be accepted if expressly agreed.

VI. Liability for defects

1. Obvious defects in the delivery, namely deviations in quantity and obvious transport damage, shall be notified by the Purchaser as soon as they are discovered in the ordinary course of business. The notification shall be deemed to be in time if it is made within a period of 15 working days after receipt of the delivery. Other defects shall be notified within 15 working days after their discovery.
2. The Parties agree that a notice of defect shall also be deemed to have been duly given under the UN Convention on Contracts for the International Sale of Goods if the Purchaser notifies the Supplier that the Product is defective. However, the Purchaser shall provide a detailed explanation of the reasons for the non-usability within a reasonable period of time upon request by the Supplier.
3. The Supplier guarantees that its products have the agreed quality, in particular that they contain the specifications required by the Purchaser. Modifications and deviations shall generally require prior agreement.
4. The Purchaser shall be entitled to the full statutory claims for defects, including claims for damages and reimbursement of expenses.

5. If the Supplier does not comply with the request for rectification of defects or replacement delivery within 10 working days at the latest, the rectification shall be deemed to have failed; in this case, the Purchaser shall be entitled to withdraw from the contract without further waiting and to claim damages instead of performance.
6. If the delivered products are used in an end product sold to a consumer, the Purchaser shall be entitled to a right of recourse against the Supplier in the event of a claim by its customers on the basis of Sections 439, 445 a, 445b, 478, 479 of the German Civil Code (BGB), applying these provisions mutatis mutandis. Sections 439, 445a, 445b, 478, 479 BGB shall apply mutatis mutandis to the scope, content and limitation period.

VII. Product liability and liability insurance cover

1. If the Supplier is responsible for product damage, the Supplier shall be obliged to indemnify the Purchaser against claims for damages by third parties upon first request.
2. In the event of litigation, Purchaser and Supplier agree to inform and assist each other.
3. The Supplier undertakes to take out appropriate product liability insurance.

VIII. Industrial Property Rights and Liability for Defects in Title

1. The Supplier warrants that all deliveries are free from third party rights and, in particular, that the delivery and use of the delivery items do not infringe any patents, licenses or other industrial property rights of third parties in the country of the agreed place of delivery and - to the extent known to the Supplier - of the intended country of use.
2. The Supplier shall indemnify the Purchaser and its customers against claims of third parties arising from any infringements of property rights and shall bear all costs incurred by the Purchaser in this connection.
3. In all other respects, the provisions on liability for defects pursuant to clause VI of this contract.

IX. Confidentiality

1. The contracting parties undertake to keep confidential all information of which they become aware in the course of the business relationship. In particular, they shall be obliged to keep all illustrations, drawings, calculations, design sketches, models, CAD data and other documents and information received strictly confidential. They may only disclose such confidential information to third parties with express written consent of the other Party.
2. The obligation to maintain secrecy shall continue to apply indefinitely after the execution of this contract, even in the event that a contract is not concluded.
3. After the end of the business relationship, documents received shall be returned to the contractual partner without being requested to do so, including all copies; files shall be permanently destroyed if they cannot be retrieved.

X. Final Provisions

1. These terms and conditions shall apply to legal transactions with entrepreneurs.
2. Should individual parts of these General Terms and Conditions of Purchase be or become legally invalid, the validity of the remaining provisions remain unaffected.
3. The Supplier is not entitled to pass on the order or essential parts of the order to third parties or to assign

claims outside of an extended or expanded retention of title without prior written consent.

4. If the Supplier stops to pay or if insolvency proceedings are applied for or opened against his assets or if out-of-court debt settlement proceedings are initiated against the Supplier's assets, the Purchaser shall be entitled to terminate the contract without notice if such an action is not withdrawn within 4 weeks.
5. The place of performance and jurisdiction shall be the Purchaser's place of business, unless otherwise stated in the order confirmation.
6. German law shall apply exclusively to all legal relations between the parties.
7. The language of the contract shall be German. If another language is used, the German version shall prevail.

XI. Defense Clause

1. The general terms and conditions of the contractual partner of EPROPLAST GmbH do not apply.