

1. General

- 1.1 These general terms of business apply to all of our business dealings with the customer. They apply in particular to all future business even when not specifically referred to.
- 1.2 These general terms of business shall conclusively regulate all of our business dealings with the customer. In particular, general terms of business of the customer such as purchasing conditions shall not form a part of this contract, irrespective of whether these contain provisions that deviate or supplement these terms of business. These general terms of business shall be deemed accepted upon receipt of the goods or service at the latest.
- 1.3 Additional agreements do not exist. Changes, additional agreements or supplements to these general terms of business shall require our written confirmation.

2. Offers, order confirmations, tools, drafts, over or under delivery

- 2.1 Our written order confirmation shall determine the scope and conditions of the order. Our offers are invariably subject to change. In the event that we, as an exception, submit a binding verbal or written offer, and this offer is accepted on time by the customer, our written order confirmation shall be equally decisive unless immediately disputed by the customer.
- 2.2 All details concerning the features of our products in offers and order confirmations, as well as documents attached to both, are in accordance with the currently applicable inspection and evaluation clause for polyethylene films stipulated by the general association of plastics manufacturing industry (GKV) as well as in accordance with our technical terms of delivery. Insofar as documents such as illustrations, drawings, measurement and weight details or samples are attached to our offers and order confirmations, these shall only be binding insofar as they are explicitly designated as binding.
- 2.3 In the event of clear written errors or errors in calculation in the offer or the order confirmation, that which should be agreed shall be applicable, or, when this is not discernible, that which would have been agreed upon by all rights without the written error or error in calculation.
- 2.4 The entire or partial refund or assumption of tool costs for tools produced especially for the execution of the customer order shall not entitle the customer to claim ownership of said tools. These shall remain in our ownership in any case, irrespective of any industrial property rights of the client to protectable motifs relating to these tools.
- 2.5 Documents concerning our products, in particular drafts, information on compounds, drawings, shall, in any case, remain in our ownership including intellectual property rights such as patents, copyrights, even when an order is placed. Thus, we are solely entitled to their use and reproduction. In the event that documents belonging to the customer are amongst the drafts, the aforementioned provisions shall only relate to those parts of the drafts created by us. Archiving of printing materials: Electronic printing data min. 5 years on data carriers, other printing materials such as drafts, stereotypes and films max. 2 years in appropriate storage. Thereafter, these materials may be disposed of, free of charge, without consultation with the customer.
- 2.6 Over or under deliveries may become necessary for technical reasons. Therefore over or under deliveries are permitted in accordance with our technical delivery conditions. In the case of over deliveries, the order price shall increase and decrease correspondingly in the case of under deliveries.

3. Outsourcing

Production shall fundamentally take place internally. However, production may be carried out off-site by approved service providers during capacity constraints or for steps required for further refinement of the product.

4. Duty of scrutiny of the customer

- 4.1 The subject matter of the order placed with us is solely the proper manufacture of the goods. The inspection to determine whether the goods manufactured by us are suitable for the purpose intended by the customer, in particular for the packaging of the product intended by the customer, shall, in every respect, in particular in terms of stability and functionality, be the responsibility of the customer. We shall, on request, be ready to provide material samples to the customer for these inspections of their requirements. We reserve the right to invoice this.
- 4.2 The customer shall immediately release us from all third party claims associated with those brand marks, trademarks, goods presentation, advertising texts, product instructions and warnings, etc. supplied by the customer in the event that we violate these third-party rights in executing the order. In the event that a third party, referring to property rights, prohibits in particular the manufacture and delivery of the product for the customer, we shall be entitled, with no obligation to review the legal situation, to cease all further activity in this respect and demand compensation in accordance with section 280 of the German Civil Code (BGB).

5. Prices, payment deadlines, payment arrears, offsetting

- 5.1 The customer shall pay the price indicated in the order confirmation plus the additional costs shown and statutory value-added tax. Unless agreed otherwise, the price shall be ex works and exclude shipping, packaging and insurance.
- 5.2 The invoice amount plus statutory value-added tax shall, unless agreed otherwise, be settled 10 days after the invoice date. After expiration of the payment deadline, the customer enters payment arrears. Statutory regulations concerning the consequences of payment arrears shall apply. In the case of payment arrears, we shall also be entitled to declare due the total amount from our business relationship. We shall, irrespective of any contrary provisions of the customer, initially be entitled to bill payments to the customer's older debts and shall inform the customer of the assignment of the settlement. In the event that costs and interest have already arisen, we shall be entitled to appropriate the payment firstly to the costs, subsequently to the interest and finally to the primary debt.
- 5.3 A payment shall only be deemed made when we are able to access it. Bills of exchange and cheques shall only be accepted on account of performance and by agreement, and, in addition, bills of exchange only under the prerequisite that these are eligible for discount. Discount charges shall be invoiced at the current standard rate from the date on which the invoice is issued or submitted.
- 5.4 Should we agree to payment of the purchase price by way of the cheque or bill of exchange procedure (reverse bill of exchange), the receipt and encashment of the cheque shall take place only on account of performance. Our entitlement to the purchase price shall lapse only upon the encashment of the bill of exchange by the customer.
- 5.5 In the event of the customer entering into payment arrears, we shall be entitled to interest on arrears at the statutory amount (section 288, para. 2, BGB). In the event that we take out a bank loan higher than the amount receivable, we may demand instead the interest rates charged to us by the bank. Interest shall be set at a lower rate if the customer proves that charges are lower; we shall be entitled to prove higher damages.
- 5.6 With regard to offsetting and retention with similar claims, the customer shall only be entitled to those claims that are undisputed or have been legally established as final and absolute. In terms of claims of a different kind, the right of retention shall be limited to claims of the customer from the same contractual relationship.
- 5.7 Should significant deterioration of the financial circumstances of the customer arise after the order has been placed, or, in the event that we become aware of previous deterioration of financial circumstances only after placing the order, we shall be entitled to demand either payment in advance or security at our own discretion.

6. Industrial property rights, closed substance cycle act

- 6.1 Those printing materials made available by us, such as drafts, drawings, stereotypes, films, printing cylinders and plates, shall remain in our ownership, even when the customer partially compensates these costs.

- However, in these cases, the customer shall be entitled to reimburse the proportion of the costs borne by us so as to obtain ownership.
- 6.2 In the event that copyrights and/or industrial property rights arise from our side due to the development and execution of an order, these shall not be transferred with the sale of the delivery item. This shall also apply when the customer bears a proportion of the costs for development. We shall be entitled in particular to utilise these copyrights and/or industrial property rights also for third-party orders.
- 6.3 Unless agreed otherwise, we shall be entitled to place our logo or identification number in a visible position on delivery items produced by us. In terms of the design, we shall position these signs at the most appropriate possible distance from any graphic designs of the customer.
- 6.4 In terms of, inter alia, samples, sketches and drafts explicitly ordered or commissioned by the customer, fees shall be paid even when the main order, for which, inter alia, the samples, sketches and drafts were produced, is not commissioned. Upon payment of the fees, ownership shall be transferred to the customer.
- 6.5 Upon completion of the order, the customer shall take back those materials and/or work equipment provided to us, the ownership of which has transferred to the customer. Should we ask the customer to take back materials provided to them and/or those materials for which the ownership has passed to the customer, in particular stereotypes etc., and the customer does not comply within 4 weeks, we shall, after providing a grace period and warning, be entitled to destroy these. We shall also be entitled to exercise this right when we ask the customer to take back those items yet the customer may no longer be reached at the address they provided when making the order, and we prove attempted delivery to this address. The aforementioned regulation shall apply accordingly to customer-specific printing plates paid for completely or partially by the customer.
- 6.6 An inspection as to whether materials provided by the customer infringe the rights of third parties, in particular copyrights, industrial property rights, (registered designs, patents, utility models, trademarks), shall be the responsibility of the customer. Should claims of copyright or industrial property right infringement or violation of the law relating to unfair competition be made against us by third parties as a result of the application, recycling or reproduction of documents and/or templates provided by the customer, the customer shall support us in defence against this infringement and reimburse all losses including lawyer's and legal fees incurred by us.
- 6.7 If we, on behalf of the customer, affix signs pertaining to the closed substances cycle act as laid down in the packaging ordinance ("the green dot" for example), the customer shall be considered as having themselves put the closed substances cycle act sign as laid down in the packaging ordinance into circulation and shall, as such, pay the fees. In the event that the customer violates the provisions of the closed substances cycle act or the packaging ordinance and claims are brought against us, the customer shall reimburse any expenses incurred in relation to this.
- 6.8 In the event that they do not participate in the *Duales System Deutschland GmbH* (German Dual System), the customer shall take back the delivered packaging in accordance with the closed substances cycle act as laid down by the packaging ordinance in its most recent version and recycle as stipulated in the packaging ordinance. In the event that a take-back obligation arises on our part, the place of performance for the customer to return the packaging is the registered office of our company. In the event that the customer culpably violates the obligations assumed in clauses 1 and 2 leading to a fine being imposed on us due to violation of the ordinance on avoiding packaging waste, the customer shall release us from this obligation to pay. In the event that we have already paid the fine, the customer shall reimburse us the amount paid.

7. Delivery periods, delayed delivery, partial deliveries

- 7.1 Details provided by the customer pertaining to the delivery period shall be unbinding until we have explicitly confirmed these in writing for the fixed dates of the customer. In the event that we confirm a delivery date to the customer in the order confirmation different from that stipulated in their order, the delivery date named by us shall apply if the customer does not object within one week.
- 7.2 The delivery period shall begin on the date upon which the order is confirmed. The beginning of this period shall, however, be deferred until all details of the order are clarified; in particular, when the customer has not yet provided all documents, authorisations, approvals and has still not made the agreed down payment. The delivery period can only be observed if the customer fulfils their contractual obligations. The delivery period is observed when products are shipped or notified as ready for shipping up to its expiration.

7.3 In the event that we are prevented from delivering by force majeure, the delivery period shall immediately be extended for the duration of the force majeure plus an appropriate start-up time. Circumstances that are unforeseeable and beyond our control, which make delivery significantly more difficult or impossible, shall be considered equivalent to a force majeure.

Examples of force majeure are delivery delays from our designated suppliers, labour disputes, governmental measures, shortages in raw materials or energy, major operational disruptions such as owing to the destruction of the company as a whole or important divisions thereof, or the loss of indispensable production equipment, unforeseen numbers of staff on sick leave, grave transport disruptions, e.g. through road blockades, labour disputes in the transport industry, energy shortages and driving bans. We shall immediately inform the customer of the beginning and end of such circumstances. Should such circumstances last longer than four months, both parties shall be entitled to rescind from the part of the contract not yet fulfilled. Claims for damages from the customer shall be excluded.

7.4 In the event that we are responsible for exceeding an appropriate delivery period, we shall only be in default after the customer has set us an appropriate grace period, which shall be at least three weeks, and this period lapses to no avail. The customer may, irrespective of our fault, rescind from the contract after the grace period lapses. Claims for damages of the customer for minor negligence on our part shall be excluded unless we explicitly confirmed the fixed date of the delivery date agreed.

7.5 We shall be entitled to partial deliveries. We may issue partial invoices for partial deliveries. Time limits for partial invoices shall be calculated separately.

8. Shipping, default of acceptance of the customer

8.1 Shipping shall take place at the risk of the customer, even when we bear the costs. We shall be entitled, yet not obligated, to take out transport insurance. The costs of transport insurance shall be borne by the customer. Risk shall pass to the customer as soon as the delivery has left our plant, even when partial deliveries take place or we have undertaken other services. In the event that transport is delayed due to reasons accountable to the customer, the risk shall pass to the customer upon our notification of shipping readiness.

8.2 Unless the customer has issued instructions to the contrary, we shall determine the means of transport, the transport route and the transport insurance and bear no responsibility that the fastest or cheapest option is guaranteed.

8.3 Claims for damages on the grounds of inadequate packaging of the products, of failure to observe packaging instructions or of failure to observe shipping instructions shall be excluded in the case of minor negligence on our part, unless this exceptionally violates an essential contractual obligation.

8.4 In case of damage or loss of products during transport, the customer shall immediately arrange for the carrier to prepare a report of the situation. Otherwise, the assertion of warranty rights in terms of defects or losses resulting from transport shall be excluded.

8.5 In the event that the customer culpably fails to accept the products reported ready for shipping within the contractually agreed time period, we shall be entitled to store the products at the expense and risk of the customer and to demand payment of the order price or, after expiration of an appropriate grace period, refuse to execute the order and claim damages on the grounds of non-performance.

9. Acceptance, warranty

9.1 Insofar as our service is accepted by the customer on the basis of legal or contractual regulations, acceptance shall be deemed declared 14 days after the risk has transferred to the customer in the manner outlined.

9.2 All warranty claims of the customer shall, in accordance with section 437 of the BGB, be subject to a limitation period of one year from the beginning of the statutory limitation period. Any information from the customer regarding minimum durability shall have no effect on the warranty period, and shall not, in particular, lead to its extension.

- 9.3 The customer shall have no rights in the event of a negligible product defect. Otherwise, the customer may only request rectification. We shall be entitled to make replacement deliveries instead of rectifications. A claim of the customer for a replacement delivery shall be excluded. This shall apply particularly to those products taken from the range of products as well as after acceptance of the products. The right to entirely refuse subsequent performance, pursuant to the conditions stipulated in section 439 para. 3 of the BGB, shall remain unaffected.
- 9.4 The customer shall, however, be entitled to withdraw from the order or lower the order price in the event that the rectifications fail.
- 9.5 Deviations in the context of clause 2.2 shall not be deemed defects in our goods; in the case of printing variations, in particular variations of inks, the results of the conventional materials used or printing techniques usual in the trade and the results of improper storage on the part of the customer or a third party. Improper storage refers in particular to when the goods are exposed to direct solar radiation, in particular UV radiation, significant temperature fluctuations, moisture as well as industrial vehicle exhaust fumes, which may have detrimental effects and when other types of improper handling of the goods by the customer or third parties occurs. Our obligation under guarantee shall remain unaffected.
- 9.6 Our warranty shall be excluded if breaches of duty or false information on the part of the customer result in any defects in our service.
- 9.7 In the case of divisible service, the warranty rights of the customer shall be limited to the part concerned.
- 9.8 The assertion of subsequent performance claims shall have no effect on payment obligations or payment periods unless we acknowledge the subsequent performance claims asserted or these are legally established as final and absolute. If this is not the case and the customer fails to fulfil their payment obligations or fails to do so on time, our aforementioned subsequent performance obligations shall be suspended until the payment obligations have been fulfilled.
- 9.9 In the event that we, on the grounds of a related order, produce a test batch or the like before the order is placed, this shall not constitute acceptance of a guarantee as defined in section 443 of the BGB for the characteristics of future products. In the event that deviations of products from the test batch constitute a defect, the customer shall thus only be entitled to the rights listed above.
- 9.10 Any claims for damages of the customer on the grounds of a defect shall, without prejudice to clause 13 of these terms of sale, remain unaffected.
- 9.11 Sections 478 and 479 of the BGB shall remain unaffected.

10. Retention of title

- 10.1 In the event that we do not acquire at least a share in joint ownership of the products produced by us that corresponds to the ratio of the value of our production costs plus the value of the filling goods provided by us and other materials to the value of the all of the products after their production, the customer shall thus transfer to us a share in joint ownership to the aforementioned amount.
- 10.2 The products delivered shall remain in our ownership or joint ownership until the customer has paid all present and future debts that we have against them. In the cheque or bill of exchange procedure, the products delivered shall remain in our ownership until such time as the customer has encashed the bill of exchange.
- 10.3 The customer may, in the normal course of business, process those products to which we reserve ownership or joint ownership unless they have entered payment arrears or ceased payments. In the event that processing takes place, it has already been agreed that we shall be entitled to a share of joint ownership of the new items created by processing that corresponds to the value of products retained in title or to the value of our joint ownership of the products in proportion to the value of the other processed articles. The customer shall hold the new products created by processing for us. The same shall apply when the customer mixes or combines those products, to which we retain ownership or joint ownership, with other articles, in particular with other similar products.

10.4 The customer may, in the course of normal business, sell those products to which we reserve ownership or joint ownership or to which we are entitled to joint ownership according to the above paragraph unless the customer is in payment arrears or has ceased payments. The customer shall neither pledge the products nor use them as security. Sale abroad shall only be permitted with our prior written consent. In selling the products, the customer assigns to us all rights accruing to him from the sale vis-à-vis their customers including all ancillary rights, securities and retained titles, already at this point in time until payment of all claims.

We shall be entitled to demand that the customer notifies his customers of the assignment and that the customer provides us with all information and documents necessary for collection. The customer may, however, collect the receivables so long as they are not in payment arrears or have ceased payments. If the outstanding payments of the customer from selling those products subject to retention of title are deposited into a current account, the customer shall assign their payment claim from the respective or the acknowledged balance to us at the amount of the outstanding amount in which the sale of the items subject to retention of title is included. In the event that we are only entitled to joint ownership of those products sold, the aforementioned assignment shall only apply to the value of our joint ownership. If products to which we retain ownership or joint ownership or to which we are entitled to joint ownership according to the above paragraph are sold with other items at an overall price, the aforementioned assignment shall apply only to the amount of the invoice value of the products produced by us.

10.5 The customer shall inform us in the fastest way possible and object when those products subject to retention of title or other articles or receivables to which we are entitled are seized by a third party or concerns of other impairment arise. The necessary documents shall be attached to this information. The customer shall reimburse us the costs incurred to us through such events.

11. Retention of title in exports

11.1 If, in the case of deliveries abroad, we are required to carry out certain measures in the importing country in order for validity of the retention of title stipulated in clause 9 or other rights as described in this paragraph to be effective, the customer shall notify us accordingly and carry out such measures at their own cost.

11.2 If the laws of the importing country do not permit retention of title but permit the seller to reserve other rights to the delivered item, then we may exercise all rights of this kind. Insofar as an equivalent guarantee for our claims against the customer is not achieved in this way, the customer shall provide us with other guarantees for the products supplied or other securities at their own cost.

12. Deliveries to countries outside the EU

12.1 This information shall be deemed revoked should legal changes have taken place up to the time of delivery. Deliveries and services (fulfillment of contract) shall be subject to the reservation that no obstacles arising from national or international export control regulations, in particular embargos or other sanctions, stand in the way of fulfillment. The customer shall produce all information and documents necessary for export and shipment. Delays due to export checks or approval procedures shall abrogate deadlines and delivery times. Should necessary approvals not be granted or the delivery and service be non-approvable, this contract shall be deemed not concluded with regard to those parts affected.

12.2 The supplier shall be entitled to terminate this contract without notice should termination be necessary for them to comply with national or international legislation.

12.3 In the event of termination, claims for damages or other rights by the customer due to the termination shall be excluded.

12.4 The customer shall adhere to those respective applicable domestic and foreign regulations of national and international (re) export control law with regard to the transfer of goods, products (also hardware and/or software and/or technology as well as related documents, irrelevant of the way in which these are provided) delivered by the supplier to third parties and to the works or services provided by the supplier (including all types of technical support).

12.5 Numbers of origin and customs tariff numbers may still be changed up to the time of delivery.

13. Assignment prohibition

The assignment of claims, which arise from the business relationship with us on the part of the customer, shall be excluded.

14. Liability

14.1 Claims for damages from the customer shall be excluded. We shall, therefore, not be liable for damages not incurred to the object delivered itself. In particular, we shall not be liable for losses of profit or financial losses of the customer.

14.2 The disclaimer according to clause 14.1 shall not apply in the case of intentional and gross negligence, claims arising from a guarantee, claims in accordance with sections 1 and 4 of the product liability act, injury to life, body or health, as well as minor negligent violation of essential contractual obligations.

14.3 In case of minor negligent violation of essential contractual obligations, liability shall be limited to EUR one million. In addition to the aforementioned limitation of liability, we shall also be liable for the scope of our insurance cover. For this purpose, all insurance claims from the insurance year are to be included in the scope of the insurance cover. Clauses 14.1 and 14.2 shall also apply in case of gross negligence of ordinary agents when the customer is a business.

14.4 Insofar as our liability is excluded or limited, the same shall also apply for the personal liability of our staff members, employees, personnel, representatives, agents and suppliers.

15. Exercising the rights of the customer

15.1 If, pursuant to sections 281 and 323 of the BGB, the customer sets an appropriate deadline for performance or subsequent performance and the deadline lapses without fulfilment, the customer shall provide us with written notice, within a period of two weeks of receiving a corresponding written request, as to whether they will claim damages instead of performance or rescind from the entire contract.

15.2 In the event that the customer does not provide written notice in due time, the rights from sections 281 and 323 of the BGB shall be withdrawn.

16. Place of performance, legal venue

16.1 Place of performance for all deliveries and payments shall be **74405 Gaildorf**, Germany.

16.2 The legal venue for all disputes including action arising from cheques and bills of exchange shall be 70173 Stuttgart, Germany, insofar as the customer is a merchant registered under the German commercial code, a legal entity under public law or a public-law special fund or has no legal venue in the Federal Republic of Germany. We shall be entitled to bring action against the customer, even at their registered office.

17. Choice of law

All legal relations between us and the customer shall be subject to the laws of the Federal Republic of Germany. Application of the UN Sales Convention (CISG) shall be excluded.

18. Partial invalidity

18.1 Should individual provisions of these terms and conditions be or become entirely or partially invalid, or should they prove to contain a gap, the validity of the remaining provisions shall not be affected.

18.2 Instead of the invalid provision, the respective valid provision, which corresponds to the sense and purpose of the invalid provision, shall be considered agreed. In the event of a gap, a provision, which in terms of the sense and purpose of these terms, corresponds to what would have been agreed if the matter had been considered

from the start, shall be deemed agreed. This shall also apply when the invalidity of a provision is based on a criterion of the service or time denominated in these terms. In such cases, the legally permissible measure of performance or time that comes closest to the intended provision replaces the agreed provision.

19. Technical terms of delivery as an integral part of these general terms of business

Our separate technical terms of delivery shall apply in addition to these general terms of business.

20. Other notes

The english version of these general business terms serves as information. In the case of deviations between the english and german versions, the german version is always binding.