

GENERAL TERMS AND CONDITIONS OF PURCHASE

ELOPAK GMBH
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1 Scope, General Provisions

- 1.1 These General Terms and Conditions of Purchase ("Terms") govern all orders concerning deliveries and performances associated with purchase, work, delivery or service contracts ("deliveries") of ELOPAK GMBH ("Elopak"); they only govern the relationship with business persons in the meaning of Section 14 of the German Civil Code [BGB], legal entities under public law and public law funds ("Contractual partner"). Any terms that conflict with or deviate from these General Terms & Conditions or the statutory provisions do not form part of the contract, including where they were previously known, unless Elopak expressly acknowledges their applicability in writing. This requirement to obtain Elopak's acknowledgement also applies if Elopak accepts the deliveries from the contractual partner or makes unconditional payments to the contractual partner.
- 1.2 During the course of an on-going business relationship, these Terms will also govern all future purchase, works, work performance, service or other type of contract (collectively "contract") with the contractual partner, without Elopak being required to formally make reference to these Terms in each individual case.
- 1.3 To the extent these Terms require the written form, such requirement may be complied with by issuing a written document in the meaning of Section 126b of the German Civil Code (e.g. a fax or email).
- 1.4 Trade terms are to be interpreted in accordance with the Incoterms version applicable at the time the contract is concluded.
- 1.5 ELOPAK expects its contractors to conduct themselves in accordance with ELOPAK's ethical values. The Supplier therefore undertakes to comply with the ELOPAK Supplier Code of Conduct, which is available online at <http://www.elopak.com/de/news-media/publikationen> and in particular the requirements pertaining to safety, health, environment, human rights, employee standards and anti-corruption. Compliance with the Supplier Code of Conduct is monitored by ELOPAK Quality Management by way of audits conducted at the Supplier's premises.

2 Conclusion of a Contract, Use of Subcontractors

- 2.1 The conclusion of a contract between Elopak and the contractual partner presupposes a written order or written order confirmation from Elopak.
- 2.2 The contractual partner must accept orders from Elopak in writing within a period of 14 calendar days. Receipt of the acceptance declaration by Elopak is authoritative for timely receipt. To the extent the acceptance declaration from the contractual partner differs from the order placed by Elopak, the contractual partner must clearly highlight such differences in the acceptance declaration; such differences will only form part of the contract to the extent they are accepted by Elopak in writing. A contract between Elopak and the contractual partner is also concluded if the contractual partner renders unconditional performance the deliveries stated in an order.
- 2.3 Any drawings or other documents referred to in an order will form part of the order. They become part of the contract to the extent nothing to the contrary has expressly been provided for in the contractual partner's corresponding acceptance declaration; Clause 2.2 sentence 2 applies accordingly.
- 2.4 In as far as Elopak specifies a certain intended use of the deliveries in an order, the contractor is under a pre-contractual obligation to notify Elopak in writing in the event the delivery specified in an order is not fully suited for the intended purpose specified in the order.

- 2.5 Elopak may accept a tender by the contractual partner within 14 calendar days from submission by issuing a written order confirmation. The contractual partner is bound by its tender until the expiry of this period. Elopak's silence does give rise to the implied conclusion of a contract. The contractual partner will promptly inform Elopak of a tender being accepted by Elopak out of time.

- 2.6 The contractual partner is not entitled to assign the performance of the deliveries to third parties (e.g. to subcontractors) without the prior written consent from Elopak. Persons carrying out transport are not considered third-parties.

3 Prices and Payment Terms

- 3.1 The prices agreed between Elopak and the contractual partner are binding and include at the applicable rate. Costs for packaging, insurance, freight and storage costs, duties other incidental costs (e.g. assembly costs) are also included in the agreed prices, unless agreed otherwise in writing between Elopak and the contractual partner.
- 3.2 Invoices must contain the required commercial information. Invoices must in particular state the order no. (if applicable), the item no., supplied quantity and the delivery address. In the case of work paid at an hourly rate, signed evidence of the hours of work must be enclosed with the invoice.
- 3.3 Unless agreed otherwise, Elopak will make payment within 30 days of receipt of the deliveries (including the required documentation, test certificates or factory certificates and other required documents) or, if acceptance of deliveries is required, their acceptance and receipt of a conforming and auditable invoice. Elopak is granted a discount of 3 % for payments made within 14 days. This period entitling to a discount does not commence in the event of Elopak accepting partial deliveries.
- 3.4 The timely receipt of the payment owed by Elopak is determined on the basis of the date Elopak instructs its bank with the corresponding transfer. Payments from Elopak do not constitute acceptance of the delivery or confirmation that the deliveries are free from defects and made in due time.
- 3.5 The contractual partner is not entitled to interest prior to a default. In the event of payment default, Elopak shall pay default interest at the rate of five percentage points above the base interest rate of the European Central Bank.
- 3.6 Elopak is without limitation entitled to the statutory rights to offsetting and withholding. The contractual partner is only entitled to offsetting and withholding rights to the extent its claims against Elopak are uncontested, have been established in a final court ruling or are in a reciprocal relationship to the respective claims of Elopak.

4 Delivery, Delivery Dates, Delays in Delivery, Force Majeure

- 4.1 The deliveries are made DDP to the delivery location ("delivery location") specified in the contract, unless agreed otherwise. The contractual partner shall include the test certificates or factory certificates and other required documents with the deliveries. The contractual partner is required to securely pack the deliveries and insure them for transportation. The contractual partner is not entitled to make partial deliveries or partial performance, unless otherwise agreed.

- 4.2 Each delivery must be accompanied by a delivery note. The delivery note shall list the place of delivery and the individual items delivered together with their dimensions, weight, quantity and order numbers (if applicable) as well as the delivery location. Partial, backorder and replacement deliveries must be designated as such in the delivery note.
- 4.3 The agreed delivery dates and deadlines ("Delivery dates") are binding. If the contract does not specify a delivery date, the deliveries must be made within 14 calendar days. Adherence to the delivery date presupposes that the deliveries can be handed over to Elopak at the delivery location at the delivery date. In as far as the deliveries require confirmation of receipt, the respective delivery date is kept if the contractual partner makes the goods available to Elopak in a condition that is ready for acceptance on the delivery date. Early deliveries are not permitted.
- 4.4 If the contractual partner realizes that a delivery date cannot be adhered to, Elopak must be informed immediately in writing together with the associated reasons and expected duration of the delay. This is without prejudice to the contractual partner's obligation to adhere to delivery dates.
- 4.5 If the contractual partner suffers from delivery delays, Elopak has the right to demand payment of a contractual penalty from the contractual partner for each calendar week or part thereof at a rate of 0.5 % of the agreed net price up to a total amount corresponding to 5 % of the agreed net price of the delayed deliveries. The right to claim further damages remains unaffected. Any contractual penalties already paid are to be offset against further claims for damages. Elopak may also claim the contractual penalty if the deliveries are accepted unconditionally, but only for an amount exceeding the final payment for the delivery if Elopak has reserved the right to do so upon making the final payment.

5 Documentation, Documents

- 5.1 The Contractor shall separately and without incurring a charge furnish ELOPAK with, one complete technical documentation for the delivered goods, comprising at least the documentation stated in Annex 1.A. or 1.B. to the Machinery Directive 2006/42/EC. The Contractor is obliged to provide ELOPAK, free of charge, with the manuals and documentation required for operation, assembly, maintenance, cleaning and repair of the delivered goods, particularly including spare parts lists and procurement details. The Contractor shall at its own expense provide one original manual and one maintenance manual for qualified personnel with the delivered goods, as well as a user documentation for application software, a program documentation for system software and system-related software and a program development documentation for any contractual software developments, with each of them to be provided in a German and an English version. The contractor must provide the required documentation to ELOPAK in accordance with current, applicable standards in paper form and in a commonly used electronic format.
- 5.2 The ELOPAK order numbers and part numbers must be stated on all correspondence, freight notes, invoices, etc. that pertain to the order. Dispatch notices and invoices must not be enclosed in the consignment.
- 5.3 The Contractor is not entitled to claim payment from ELOPAK for the preparation of tenders, acquisition planning, drafting or any other preparation work. ELOPAK is entitled to use the business documents and information (including data sheets) made accessible by the Contractor at its sole discretion, provided the Contractor has not expressly designated them as confidential or secret.

The Contractor must provide ELOPAK with a separate declaration in accordance with Annex 1.A. or 1.B. of the Machinery Directive 2006/42/EC (valid version) for the delivered goods. A CE label must be affixed to all eligible products. The contractor guarantees ELOPAK that the goods comply with the applicable accident prevention regulations / work safety regulations and the occupational health care and safety-related requirements applicable in the Federal Republic of Germany. If the contractor is aware of the goods' destination country / country of use at the time of concluding the contract,

the goods must also comply with the rules and regulations applicable in such country and be approved for delivery to such country. The contractor is in particular liable for the goods' compliance with the relevant EU rules, the EC Machinery Directive, the German Product Safety Act (ProdSG) and the ninth ordinance to the Product Safety Act (Machinery Regulation, 9th ProdSV) in their current version as well as for the performance of the conformity assessment procedures prescribed in the respective regulations.

- 5.4 If a third party claims liability from Elopak due to non-compliance with the regulations set out in Clause 5.3, the Contractor must indemnify ELOPAK from such claims upon Elopak's initial written request. ELOPAK is entitled to indemnification regardless of whether the contractor is at fault. The right of ELOPAK to be indemnified by the contractor also includes the costs incurred by Elopak in pursuit of legal rights and claims, as well as any other expenses necessarily incurred by Elopak as a result of or in connection with claims made by a third party.
- 5.5 Calculations, diagrams, plans, tendering procedure documentation, requirement profiles, performance specifications, drawings, other documents and data carriers as well as models and other tools are only made available to the Contractor by ELOPAK on a temporary basis and must be returned to ELOPAK immediately after completion or termination of the contract without making any copies of them, or be destroyed by the Contractor upon ELOPAK's request with suitable evidence of their destruction to be presented to ELOPAK.
- 5.6 All models, devices and other tools created by the Contractor for the purpose of performing the contract are the property of ELOPAK. With regard to the aforementioned property and all intellectual property rights associated with them, ELOPAK will retain sole ownership and have sole power of disposal. This property must be returned to ELOPAK after completion or termination of the contract and without making any copies of them.

6 Acceptance, Transfer of Risk and Title

- 6.1 Deliveries only require acceptance if explicitly agreed between Elopak and the contractual partner, or if acceptance is a statutory requirement.
- 6.2 Unless agreed otherwise, Elopak may declare acceptance within 14 calendar days after the goods are declared ready for acceptance. Partial acceptance is categorically excluded. In all other respects, Elopak's rights and obligations pertaining to acceptance are governed by the statutory provisions.
- 6.3 The risk of accidental loss and accidental deterioration of the goods passes to Elopak upon their handing over at the agreed delivery location. If the goods are subject to acceptance, the risk of accidental loss and the accidental deterioration of the goods will only pass to Elopak upon issuance of acceptance.
- 6.4 In as far as the contractual partner and Elopak have agreed on a retention of title in exceptional cases, such retention has the effect of a simple reservation of title. Elopak objects against any extended retention of title. The title transfers from the Contractor to Elopak upon the payment of the price. Elopak is authorized to mix, process or combine the delivered goods and to resell goods subject to retention of title in the ordinary course of business.

7 Claims for Defects, Contractor's Liability

- 7.1 The Contractor is liable to ELOPAK for the delivered goods being free from defects and free from defective title from the time of the risk passing until expiry of the limitation periods for defects.
- 7.2 In cases where the above obligation is infringed against and the delivered goods are defective, the rights of ELOPAK are based on these Terms and Conditions as well as the statutory provisions pertaining to claims for defects.

- 7.3 ELOPAK may, at Contractor's expense, remedy defects itself, have them remedied by third parties, or arrange for replacement where – upon written request – the Contractor fails to remedy the defects within a reasonable period set by ELOPAK, or if insolvency proceedings over the assets of the Contractor are commenced. This also applies without requiring a prior request in urgent cases where there is a risk to operational safety or to prevent disproportionately large damage, where the special urgency prevents Elopak from notifying the Contractor about the defect and the risk of damage and from setting a deadline for remedying the defect.
- 7.4 ELOPAK may remedy minor defects, or have them rendered on its behalf, immediately and at the cost of the contractor. Any defect rectification measures may be implemented without a deadline and at the expense of the Contractor if delivery is made after the original deadline and ELOPAK has an interest in immediate remedy of the defect in order to prevent delays on its own part.
- 7.5 The Contractor must be notified immediately in the event of a case falling under Clauses 7.3 and 7.4. ELOPAK will provide the contractor with a defect report on the type and extent of the defects and the works performed.
- 7.6 The Contractor shall bear all costs of subsequent performance, in particular the costs incurred for troubleshooting, retrofitting, assembly and disassembly, as well as transport, travel, labor and material costs and customs duties, including the costs resulting from the subsequent transportation of the goods to a location other than the delivery location (property location).
- 7.7 The Contractor is liable for the delivered goods being free of third-party rights, in particular third-party industrial property rights, which would rule out or impair their use by ELOPAK, or for holding the authority to assign such rights of use, and that no existing property rights published within the European Economic Area, the USA and Japan, are infringed against. Where a third party holds ELOPAK liable on any of the aforementioned grounds, the Contractor shall indemnify ELOPAK from any such claims at Elopak's initial written request. The contractor's obligation to indemnify Elopak extends to all expenses necessarily incurred by ELOPAK as a result of or in connection with claims made by a third party. This does not apply if the violations of (property) rights are result from plans, drawings, models or other equivalent descriptions provided by ELOPAK.
- 7.8 Elopak may claim damages and rescind the contract if the Contractor fails to adequately ensure the conforming use of the services.
- 7.9 ELOPAK demand the contractor to indemnify it against all claims by Elopak customers if and to the extent the accrual of liability is attributable to the contractor's delivery. This only applies to the indemnity against claims for damages asserted against ELOPAK outside of the scope of the German Product Liability Act if and to the extent the contractor is at fault for the cause of the damages.
- 7.10 The Contractor is required to perform its inspection and supervision obligations diligently; the contractor is in particular required to observe the technical standards and the contractually agreed quality by carrying out thorough quality checks and establishing the corresponding documentation. The Contractor must organize its domain and organizational structure objectively and personally so that any risks associated with the contractor's performances and their utilization by ELOPAK and its customers are eliminated.
- 7.11 In the event that grounds for claims of ELOPAK against the supplier are fully attributable to the risk or responsibility of the contractor, the contractor shall bear the burden of proof for establishing that it is not at fault for such grounds.

8 Contractor's Manufacturer Liability and Insurance Obligation

- 8.1 The supplier releases ELOPAK from its manufacturer's liability if and to the extent the cause giving rise to the liability of ELOPAK is attributable to the Contractor's risk and responsibility and the Contractor is liable for the cause giving rise to liability. This also applies in the event claims are asserted against ELOPAK on the basis of its manufacturer's liability under the laws of another country.
- 8.2 In this respect the Contractor is also obliged to reimburse any expenses pursuant to Sections 683, 670 BGB (German Civil Code) resulting from or in connection with a recall of products by ELOPAK. In as far as possible and reasonable, ELOPAK must inform the contractor of the content and scope of the recall measures to be carried out and give it the opportunity to respond.
- 8.3 The Contractor declares that it will accept claims by third parties for damages resulting from defects to the statutory extent if the defects are already present in its delivered goods, works or performances at the time of the risk passing.
- 8.4 The Contractor undertakes to maintain a comprehensive general liability and product liability insurance policy with a minimum insurance coverage amount of 2.5 million Euro for damage to personal injury and property damage. In departure from Section 4 para. 1 section 3 AHB, the coverage must also extend to losses suffered in another country. The Contractor must notify ELOPAK of any coverage exclusions for the USA/Canada.
The scope of this insurance policy must extend to coverage for the so-called extended product liability insurance (ProdHV) in accordance with the applicable GDV model, including the insurance of personal injury and property damage due to lack of agreed characteristics of the delivery item in accordance with section 4.1 ProdHV; combining, mixing and processing of the delivery products in accordance with section 4.2 ProdHV; further processing in accordance with section 4.3 ProdHV; removal and installation costs in accordance with section 4.4 ProdHV; the production of waste by machines in accordance with section 4.5 ProdHV and a testing and sorting costs clause in accordance with section 4.6 ProdHV. The coverage sum for damage damages under Sections 4.1 to 4.6 ProdHV must not be less than 2 million Euro. To the extent the Contractor also assembles or installs the goods, a coinsurance for contributory loss or damage must be with a coverage sum of not less than 1 million Euro must be maintained.
- 8.5 The Contractor must provide evidence to ELOPAK that liability insurance has been taken out in accordance with section 8.3 and must submit a certificate of insurance to ELOPAK upon request. This evidence must in particular set out the following points: (a) Details of the policy holder and full address; (b) Name of the liability insurance, stating the complete insurance policy number; (c) Name and full address of the insurer; (d) Details on the insured types of losses and costs (personal injury and property damage, co-insured financial losses), particularly in the area of manufacturer liability, environmental damage liability and coinsurance contributory loss coverage. The product liability insurance must extend coverage to so-called extended product liability insurance (ProdHV model) under inclusion of the insurance of personal injury and property damage due to the lack of agreed characteristics of the delivery item in accordance with section 4.1 ProdHV model; combination, mixing and processing of the delivery products in accordance with section 4.2 ProdHV model; further processing in accordance with section 4.3 ProdHV model; dismantling and installation costs in accordance with section 4.4 ProdHV model; the production of waste by machines in accordance with section 4.5 ProdHV and a test and sorting clause in accordance with section 4.6 ProdHV (e) Stating the coverage sums; (f) Stating the existing sub-limits; (g) Declarations on existing co-payments; (h) Stating the exceptions; (i) Start and expiry date of the policy and if it extends automatically; (j) Geographic coverage area; (k) Conclusion of a general product-recall insurance, which includes coverage for the so-called third-party recalls (l) Confirmation by the insurer for insurance premiums paid.

9 Spare Parts and Quality Assurance

- 9.1 The Contractor is required to ensure the availability of spare parts for the deliveries for a time period of at least ten (10) years after the corresponding delivery.
- 9.2 The contractual partner must promptly notify Elopak of its intention to discontinue production of spare parts for the deliveries upon having made a corresponding decision. Elopak must be notified at least 12 months before production is discontinued.
- 9.3 The contractual partner shall perform quality assurance measures appropriate in their nature and scope and conforming with the latest technological standards and furnish Elopak with evidence for such measures upon request. Upon request by Elopak, the contractual partner will enter into a corresponding quality assurance agreement with Elopak.

10 Own Supplies

- 10.1 Elopak reserves the title in any supplies of materials, tools or other manufacturing resources ("own supplies") provided to the Supplier. The contractual partner may only use these supplies for orders placed by Elopak. Own supplies may only be reproduced with the prior written approval from Elopak. Title in such reproductions transfers to Elopak upon their creation.
- 10.2 Own supplies must be stored separately, labelled and kept under lock and key. The risk of accidental destruction and accidental deterioration of own supplies will be borne by the contractual partner. The contractual partner must carry out maintenance works and repairs to own supplies at its own expense. The contractual partner must notify Elopak immediately of any own supplies being subject to seizure/garnishment or interventions by third parties.
- 10.3 The contractual partner is only entitled to combine, mix and process own supplies with the prior written permission from Elopak. A processing or conversion (collectively "processing") of own supplies by the contractual partner is carried out on behalf of Elopak as the manufacturer in the meaning of Section 950 BGB, without imposing an obligation on Elopak. The processed own provisions in which Elopak acquires title are also deemed own supplies in the meaning of this Clause 10. If own supplies are combined or mixed with other goods to which Elopak does not hold title, Elopak shall acquire joint ownership title in the resultant products. The joint ownership fraction results from the ratio between the net invoice value of the own supplies to the net invoice value of the remaining goods. In the event a combination, mixing or processing causes Elopak's title in the goods to lapse, the contractual partner agrees that title in the new product is transferred to Elopak in the proportion corresponding to the net invoice amount of the own supplies and to store the new product for Elopak free of charge. A joint ownership title is deemed own supply in the meaning of this Clause 10.
- 10.4 The contractual partner must insure own supplies against fire, water, theft and breakages at its own expense and furnish Elopak with corresponding evidence upon request. The contractual partner hereby assigns all future claims from the insurance policy to Elopak. Elopak hereby accepts the assignment.
- 10.5 The contractual partner undertakes to surrender own supplies to Elopak at any time upon request, unless agreed otherwise.

11 Obligation to Provide Information, Confidentiality and Data Protection

- 11.1 Where the delivery relationship is of longer duration, the contractor owes Elopak the obligation to inform it about any circumstances of potential relevance; this includes, in particular, information about quality problems that may not have been fully resolved, foreseeable difficulties with deliveries, and concerning all changes in product characteristics that may affect their use by ELOPAK, including changes that do not render the delivered item defective.
- 11.2 If a contractor supplying spare parts intends to discontinue the production of such parts ("discontinuation"), either partially or wholly, it must inform ELOPAK giving at least six months prior notice of such intent, stating the ELOPAK material number as well as setting out alternative procurement options (incl. the corresponding data sheets). The Contractor grants ELOPAK the option of placing a "final order" by giving eight weeks written notice of the intention to discontinue production; this gives ELOPAK the option of placing a final order with a minimum quantity of up to 25 % of the total order quantity of the past ten years with an average delivery time that is valid until the discontinuation and at the previously agreed commercial conditions.
- 11.3 The Contractor must treat all non-apparent commercial and technical information obtained during the course of the business relationship as business secrets. The Contractor shall in particular keep all calculations, illustrations, plans, tender documents, specifications of requirements, performance specifications, drawings, other documents and any other data carriers, models or other tools strictly confidential. Such information may only be disclosed to third-parties and/or used by the contractor for its own purposes outside of this contract with the express consent from ELOPAK. The obligation to confidentiality continues to have legally binding effect after the contract has been completed; it will lapse if and to the extent the knowledge, experience and information contained in the aforementioned calculations, illustrations, plans, documents, etc., becomes part of the public domain. ELOPAK remains the sole owner of and has sole power of disposal over the aforementioned property and all intellectual property rights associated with them. The contractor may only disclose its contractual relationship with ELOPAK to third parties after obtaining Elopak's written consent.
- 11.4 The Contractor is liable for all persons involved in the performance of the contract being in compliance with the statutory data protection requirements. They shall give the required undertaking to observe data secrecy no later than upon commencing their respective activities, with Elopak to be furnished with corresponding evidence upon request. The Contractor hereby consents to ELOPAK storing and automatically processing any personal data disclosed during the course of the business relationship in its IT systems.

12 Export Controls Clause, Customs Affairs

- 12.1 Elopak is only required to render the contractually agreed performances subject to the condition that it is not prevented from rendering the performances under applicable national or international foreign trade regulations, embargoes and/or other sanctions.
- 12.2 The Supplier must do everything necessary to allow Elopak to evaluate any applicable delivery-related licensing requirements and prohibitions under applicable customs and foreign trade regulations of Germany, Europe or the United States of America. This applies in particular in the case of exports or reselling of the deliveries in another way.

The Supplier must for this purpose provide Elopak with at least the following information and data immediately or no later than two weeks after conclusion of the contract:

- a. The export list number for the German Foreign Trade Ordinance;
- b. The list number as per the EC Dual Use Regulation;
- c. The "Export Control Classification Number" in accordance with ECCN for goods subject to the EAR;
- d. The statistical goods number (HS/CN-Code);
- e. The country of origin or origin marking;
- f. Upon request the supplier declaration on the preferential origin.

In as far as necessary for an evaluation pursuant to Clause 12.2, Elopak is entitled to request further information and data from the Supplier.

13 Miscellaneous

- 13.1 The place of performance for the deliveries to be made by the contractual partner is the delivery location specified in the contract with Elopak, unless provided for otherwise. In all other respects, the place of performance is at the place of Elopak's registered office in Mönchengladbach.
- 13.2 The exclusive place of jurisdiction for all disputes arising from or in connection with these Terms is at the place of Elopak's registered office in Mönchengladbach. Elopak is however entitled to bring legal action at the contractual partner's place of general jurisdiction or any other court of law holding jurisdiction. The previous stipulations do not apply if an exclusive place of jurisdiction is prescribed by law.
- 13.3 These Terms and all contracts concluded between Elopak and the contractual partner are governed by the law of the Federal Republic of Germany under exclusion of United Nations Convention on Contracts for the International Sale of Goods (UN purchasing law/ CISG).
- 13.4 In the event one or a number of provisions stipulated in these Terms are or become ineffective or void, the effectiveness of the remaining provisions will remain unprejudiced.

Place, date	Supplier (company seal, signature of authorized representative)
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