

General Terms and Conditions of WAREMA Kunststofftechnik und Maschinenbau GmbH and WAREMA Plastic Technology Hungary Kft.

- 1. Scope**

The following General Terms and Conditions ("GTC") apply exclusively – and solely in relation to entrepreneurs in the sense of Section 310(1) of the German Civil Code (BGB) – to all current business relationships with the orderer and to all future business relationships, provided that they involve legal transactions of a related nature. Any previous terms and conditions which may or may not differ from these GTC are hereby rendered invalid.
- 2. Application**
 - 2.1. Quotations that are not designated as binding quotations shall be deemed non-binding. With respect to the type and scope of delivery, orders shall not be deemed binding until the order confirmation is received from WAREMA Kunststofftechnik und Maschinenbau GmbH or WAREMA Plastic Technology Hungary Kft. (hereinafter referred to as "WAREMA"). Any amendments and additions must be made in writing.
 - 2.2. Where ongoing business relationships apply, these GTC shall also apply to future business transactions even if no explicit reference is made to them, provided that the partners agreed on them in a previous order. If any other provisions of the orderer or WAREMA are to apply instead of these GTC, this requires express agreement by the partners. If any individual provisions are or become invalid, the remaining provisions shall remain unaffected by this. The contracting partners shall undertake to replace the invalid provision with a valid provision that reflects the content and economic intention of the invalid provision as closely as possible.
 - 2.3. WAREMA shall only be obligated to adhere to the orderer's conditions of purchase if WAREMA has expressly acknowledged them in writing.
 - 2.4. Any documentation associated with the quotation, such as figures, drawings, weight specifications or dimension specifications, shall be deemed only approximations unless they have been expressly designated as binding. WAREMA reserves the right of ownership and copyright relating to any quotations, drawings and other documents; these quotations, drawings and other documents must not be made available to third parties. WAREMA shall only be obligated to give third parties access to plans that the orderer has designated confidential if the orderer has consented to this.
- 3. Scope of delivery**

The written order confirmation from WAREMA shall be authoritative in determining the scope of delivery. In cases involving quotations from WAREMA that have a fixed term and have been accepted in a timely manner, the quotation shall be authoritative if an order confirmation has not been provided in time. Any ancillary agreements or amendments require written confirmation from WAREMA.
- 4. Prices and payment conditions**
 - 4.1. In the absence of a separate agreement from the production plant, the prices do not include value added tax at the statutory rate.
 - 4.2. In the absence of a separate agreement, payments must be made as soon as the invoice is received, without any deductions.
 - 4.3. Withholding payments or offsetting, due to any counterclaims asserted by the orderer and disputed by WAREMA, is not permitted.
 - 4.4. If it has been agreed that the price is dependent on the weight of parts, the final price shall be calculated on the basis of the weight of the approved reference samples.
 - 4.5. If follow-up orders are placed, WAREMA shall not be bound to the previous prices.
 - 4.6. In the case of orders below EUR 600 (not including value added tax), WAREMA reserves the right to apply a minimum-quantity surcharge of EUR 300 (not including value added tax) to cover administrative and dispatch costs.
 - 4.7. In the case of international business transactions, we reserve the right to raise the goods price as is necessary due to general price trends that are beyond our control (such as fluctuations in currency exchange rates, currency regulations, changes to customs duties, or significant increases in material or production costs) or due to changes in the delivery information. We reserve the right to do so after notifying the purchaser in a timely manner and before delivering the goods.
- 5. Delivery period and acceptance obligations**
 - 5.1. Delivery periods shall begin once all the documentation required for executing the order has been received, advance payment has been received and any materials have been provided in a timely manner, insofar as this has been agreed upon. The delivery deadline shall be deemed to have been met when notification of readiness for dispatch has been issued.
 - 5.2. Partial deliveries and quantity deviations of up to 10% are permitted.
 - 5.3. In the case of call-off orders without agreed lead times, production batch sizes or acceptance deadlines, WAREMA may request binding specifications concerning these points no more than three months after the order confirmation. If the orderer does not fulfil this request within three weeks, WAREMA shall be entitled to set a two-week grace period and, once this has elapsed, withdraw from the contract or refuse delivery and request damage compensation.
 - 5.4. If the orderer does not fulfil its acceptance obligations, WAREMA shall not be bound by regulations concerning the auction of goods for the purposes of self-redress and may instead sell the delivery item by private agreement after notifying the orderer in advance. This applies without prejudice to any other rights.
 - 5.5. Any delivery items that WAREMA takes back as a gesture of goodwill must be in flawless condition, in their original packaging and delivered with carriage paid on the basis of an agreed deadline. WAREMA is entitled to charge for reasonable costs that it has incurred as a result of taking back the items.
 - 5.6. If WAREMA is carrying out the sampling process, the delivery deadline shall be deemed to have been adhered to when WAREMA presents reference samples that are ready for acceptance and have been made using an existing tool, or once it has delivered the reference samples and tool.
 - 5.7. If the orderer has carried out the sampling process, the delivery date shall be deemed to have been adhered to when the tool that is ready for acceptance has been delivered.
 - 5.8. Without prejudice to any rights in respect of defect liability, the orderer must accept delivery of tools even if they demonstrate insignificant defects.
 - 5.9. Once an agreed period has elapsed, WAREMA shall be entitled to demand, by way of compensation, the full unit price of each moulded part item that the orderer has not accepted. This does not affect any other rights.
- 6. Material and data provision**
 - 6.1. If the orderer is supplying materials, they must be delivered at the orderer's own expense and risk, in a timely manner and in flawless condition, with a reasonable excess quantity of at least 5%.
- 6.2.** If these requirements are not fulfilled, the delivery period shall be extended as appropriate. Except in cases of force majeure, the orderer shall assume any additional costs that arise, including those associated with disruptions in production.
- 6.3.** In the absence of any separate agreements, WAREMA shall assume that CAD data in flawless condition will be provided. Any costs that do arise as a result of processing the data shall be charged to the orderer on the basis of time and resources spent. The following data formats are acceptable: DXF, IGES, VDA, Pro-E, STEP.
- 7. Force majeure**

In the event of force majeure, WAREMA shall be entitled to postpone the delivery by the duration of the impairment plus a reasonable start-up period; alternatively, it shall be entitled to withdraw from the contract partially or in full due to the inability to fulfil part of the contract. Force majeure include strike action, lockouts or unforeseeable circumstances, such as breakdowns, that make it impossible for WAREMA to deliver on time despite making reasonable efforts to do so.
- 8. Packaging, dispatch, transfer of risk**
 - 8.1. Unless otherwise agreed, WAREMA shall select the packaging, dispatch type and dispatch route.
 - 8.2. The risk shall transfer to the orderer at the point when the goods leave the plant, even in cases of delivery with carriage paid. In cases of dispatch delays for which the orderer is responsible, the risk shall transfer at the point when notification of readiness for dispatch is issued.
 - 8.3. If requested in writing by the orderer, the goods shall be insured against storage damage, breakage, damage in transit, fire damage and any other insurable risks, at the orderer's expense.
- 9. Retention of title**
 - 9.1. Deliveries shall remain the property of WAREMA until all of WAREMA's claims against the orderer have been satisfied. Until they have been satisfied, WAREMA shall reserve the right of retention; this also applies to production documentation, operating equipment and tools provided by the orderer. The same applies even in cases where the purchase price is paid for specifically designated claims. In cases involving a running account, the retention of title in respect of the deliveries (goods subject to retention of title) shall act as security for the balance owed to WAREMA.
 - 9.2. Any processing by the orderer shall be performed to the exclusion of acquisition of ownership in accordance with Section 950 of the BGB and on behalf of WAREMA. WAREMA shall become the co-owner of the new item that arises as a result, at a level that is proportionate to the ratio of the net invoice value of WAREMA's goods to the net invoice value of the processed goods. The new item shall be deemed goods subject to retention of title and shall therefore act as security for WAREMA's claims pursuant to section 9.1.
 - 9.3. In cases where the orderer is carrying out processing (combination/mixing) involving goods that do not belong to WAREMA, the provisions of Sections 947 and 948 of the BGB shall apply, with the effect that WAREMA's proportion of co-ownership of the new item is deemed goods subject to retention of title in the sense of these provisions.
 - 9.4. In the event of resale, the orderer shall hereby assign to WAREMA with immediate effect any receivables owed to it as a result of the resale and any other claims against its customers, plus all ancillary rights, until any claims are satisfied. At WAREMA's request, the orderer shall undertake to provide all information and hand over all documents that are necessary for asserting WAREMA's rights vis-à-vis the orderer's customers. The orderer is not entitled to dispose of the goods subject to retention of title in any other way; in particular, pledging or transfers of ownership as security.
 - 9.5. If the orderer resells the goods subject to retention of title after processing together with other goods that do not belong to WAREMA, in accordance with section 9.2. and/or 11.3., the assignment of the purchase price claim pursuant to section 9.4. shall only apply to the invoice value of WAREMA's goods subject to retention of title.
 - 9.6. WAREMA must be notified immediately of any attachment or seizure of the goods subject to retention of title by third parties. In all cases, the orderer shall bear any intervention costs arising from such action, provided that they are not to be borne by third parties.
 - 9.7. If WAREMA exercises its retention of title in accordance with the preceding provisions by taking back the goods subject to retention of title, it shall be entitled to sell the goods by private agreement or to have the goods auctioned off. The goods subject to retention of title shall be taken back at the price realised for them. Any other claims are reserved.
 - 9.8. In the event that the orderer acts in breach of contract – in particular, in the event of delayed payment – WAREMA shall be entitled to take back goods after issuing a warning and the orderer shall be obligated to surrender them.
- 10. Moulds (tools)**
 - 10.1. The price for moulds includes the costs associated with one-off sampling, but does not include the costs for testing and processing equipment or any changes initiated by the orderer.
 - 10.2. Unless otherwise agreed, WAREMA is and shall remain the owner of the moulds produced for the orderer, either by WAREMA itself or by a third party it has commissioned. Moulds shall only be used for the orderer's orders if the orderer fulfils its payment and acceptance obligations. WAREMA shall only be obligated to replace said moulds free of charge if doing so is necessary to fulfil a production output quantity that the orderer has been assured of. WAREMA's obligation to retain goods shall elapse two years after the final delivery of parts from the mould and after the orderer has been notified in advance. The quotation and the order confirmation must specify whether the percentages of mould costs that have been paid for will be reimbursed to the orderer at 5% of the net part delivery.
 - 10.3. If it is agreed that the orderer is to become the owner of the moulds, ownership shall transfer to the orderer once the purchase price has been paid. Delivery of the moulds to the orderer is replaced by WAREMA's obligation to retain the moulds. Regardless of any legal claims to surrender on the part of the orderer and the service life of the moulds, WAREMA shall be entitled to possess the moulds until acceptance of a minimum quantity to be agreed and/or until a defined period has elapsed. WAREMA must mark the moulds as the property of a third party and insure them at the request of the orderer and at the orderer's expense.
 - 10.4. In cases where the orderer owns the moulds, in accordance with section 10.3., and/or in cases where the orderer has provided moulds on loan, WAREMA's liability with respect to retention and maintenance shall be limited to the level of care exercised in its own affairs. The orderer shall bear any costs associated with maintenance and insurance. WAREMA's obligations shall no longer apply if the orderer does not collect the moulds within a reasonable time after the order has been executed and the orderer has been requested to collect them. If the orderer is unable to fulfil the full extent of its contractual obligations, WAREMA shall in all cases have the right of retention in respect of the moulds.

11. Liability for defects

11.1. In the event of delivery-related defects, WAREMA shall be held liable as outlined below, to the exclusion of any other claims:

In the case of goods produced by WAREMA, such as machinery/equipment, plastic products or medical devices, any parts that prove to be unusable or whose usability proves to be significantly compromised within 24 months (12 months in the case of multiple-shift operation) of handover or commissioning, due to circumstances for which WAREMA is responsible (defective designs, poor materials or poor workmanship in particular), must be repaired or redelivered at WAREMA's discretion.

If we declare the repair or redelivery to have ultimately failed, the orderer has the right – without prejudice to any claims for damage compensation – to withdraw from the contract or to reduce the remuneration. The orderer cannot demand compensation for wasted expenditure. WAREMA shall not bear any costs for removal or installation.

The reference samples are authoritative in the process of determining the quality and workmanship of plastic items. WAREMA must be notified immediately if any defects of the type referred to above are identified. Any replaced parts shall become the property of WAREMA. If dispatch, installation or commissioning is delayed through no fault of WAREMA's own, liability shall lapse no more than 24 months following completion/production. In the case of essential third-party products, WAREMA's liability shall be limited to the assignment of liability claims to which it is entitled against the supplier of the third-party products.

11.2. In the event of wilful intent or gross negligence, we shall be liable in accordance with legal provisions. Unless we have committed an intentional or grossly negligent breach of duty, our liability for damage compensation shall be limited to such damage as typically occurs. This does not apply to liability arising from intentional or negligent injury to a person, to health or to body, including the death of said person. Liability under product liability law shall also remain unaffected. If we are guilty of the intentional or negligent breach of a material contractual obligation, we shall also be liable in accordance with legal provisions.

11.3. The presence of assured characteristics in the delivery item must be stated in writing in the order confirmation.

11.4. If WAREMA has advised the orderer beyond the scope of its contractual obligation, it shall only be liable for the function and suitability of the delivery item if these aspects have been expressly assured in writing. The state of the art that applies at the point when the order is being processed shall be authoritative.

11.5. All warranty rights assume that the purchaser has duly satisfied its obligations to examine and object to the goods as stipulated by Sections 377 ff. of the German Commercial Code (HGB). If complaints should arise despite the utmost care having been taken, claims in respect of apparent defects according to Section 377 of the HGB must be asserted immediately, but no more than 8 days after receipt of the goods; claims in respect of defects that are not identifiable until a later point must be asserted immediately upon their discovery; otherwise, the goods shall be deemed approved.

11.6. We do not accept any responsibility for defects in the goods that can be traced back to a description of the goods or a specification from the orderer. Our responsibility does not extend to parts, materials or any other items of equipment that were produced by, or by order of, the orderer and made available to us.

11.7. The orderer must grant WAREMA, in consultation with WAREMA, reasonable time and opportunity to carry out any repairs and replacement deliveries that WAREMA deems to be necessary at its discretion. If the orderer culpably refuses to grant this, WAREMA shall be released from any defect liability.

11.8. Following rectification of defects, a 12-month limitation period for this work shall begin anew; however, this period shall not end before the periods specified in 11.1. have elapsed. Claims made by the orderer on account of expenses necessary due to redelivery or repair – in particular, costs for transport, travel, labour and materials – are excluded, insofar as said expenses increase because the goods we supplied were brought to a location other than the delivery address of the orderer, for example. If we incur costs of this nature as part of redelivery or repair, the orderer must reimburse said costs.

12. Limitations of liability

12.1. The orderer is solely responsible for providing WAREMA with all the product-specific, technical and legal specifications that must be taken into account when producing the ordered product, and must do so in a timely manner, in full and in writing. WAREMA accepts no liability for claims that arise because of the orderer's failure to uphold its obligation to provide information, or to do so in a timely manner.

12.2. WAREMA accepts no liability for changes or repair work carried out by the orderer or third parties improperly and without prior approval from WAREMA, nor does it accept any liability for the consequences of said changes or repair work.

12.2. Any claims on the part of the orderer that extend beyond the scope outlined in these GTC are excluded, regardless of their legal basis.

12.3. In all cases where WAREMA is obligated to pay damage compensation due to contractual or legal foundations for claims, in derogation of the provisions outlined above, it shall only accept liability if it can be held responsible for wilful intent or gross negligence. This does not affect strict liability for injury to body or health, or damage to private property, in accordance with Section 14 of the German Product Liability Act (ProdHaftG).

12.4. Any liability on the part of WAREMA shall not apply if the defects are not considered significant to the orderer's interests or if they are based on circumstances that are attributable to the orderer.

12.5. In particular, no liability shall be assumed for injury or damage occurring for the following reasons: unsuitable or improper use; incorrect installation or commissioning by the orderer or third parties; natural wear and tear; incorrect or negligent handling; unsuitable equipment; use of alternative tools; defective construction work; unsuitable construction sites; or chemical, electrochemical or electrical influences, provided that said reasons have arisen through no fault of WAREMA's own.

13. Property rights

13.1. In cases where WAREMA is required to make deliveries on the basis of drawings, models, samples or parts provided by the orderer, the orderer shall guarantee that the property rights of third parties are not being infringed upon. WAREMA shall inform the orderer of rights of which WAREMA is aware. The orderer must indemnify WAREMA against any claims asserted by third parties and pay any resulting damage compensation. If a third party prohibits WAREMA from carrying out production or delivery due to a property right that the third party claims to own, WAREMA shall be entitled to suspend work without the need to examine the legal situation.

13.2. Drawings and samples that have been surrendered to WAREMA and have not led to an order shall be returned if requested; otherwise, WAREMA shall be entitled to destroy said drawings and samples three months after the quotation was submitted.

13.3. WAREMA is entitled to copyright and, where applicable, industrial property rights in respect of models, moulds, equipment, drafts and drawings that it has created or that have been created by third parties on its behalf.

14. Place of fulfilment and place of jurisdiction

14.1. The place of fulfilment is Marktheidenfeld.

14.2. The place of jurisdiction is Würzburg.

14.3. Only German law applies, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).