

## TERMS AND CONDITIONS OF SALE

### Tipper Tie technopack GmbH

1. **Quote Validity:** All goods supplied, quotations and services provided by Tipper Tie technopack GmbH ("Supplier") are subject to these Terms and Conditions of Sale dated December 2018 (this "Agreement"), which apply to all business relationships with companies (Section 14 German Civil Code), legal persons under public law, or public law special funds. Deviating or supplementary terms and conditions of the Buyer shall only be deemed an integral part of any contract if Supplier has expressly agreed to their applicability. Unless stated otherwise in the quotation, all quotations terminate if not accepted by Buyer within 30 days.

2. **Prices and Taxes:** Prices do not include federal, state or local taxes, including sales, use or excise taxes.

3. **Shipment and Delivery, Reservation of Title:** Shipment, Delivery: Unless otherwise provided in this Agreement, all products are shipped from the suppliers facility, on either a DAP or EXW basis, Incoterms® 2010. Risk of loss or damage to the products ordered hereunder (the "Goods") pass from Supplier to Buyer upon delivery to the Buyer's premises (DAP) or to the first carrier (EXW).

Reservation of Title: **a)** Supplier shall retain the title to Goods supplied by it until all claims of Supplier from the entire business relationship with the Buyer have been satisfied in full (current account reservation). **b)** The Buyer shall carefully store, maintain and repair the Goods which are subject to retention of title at its own expense, and insure such Goods against fire, water damage, burglary and theft. The Buyer shall immediately inform Supplier of any damage to the Goods subject to retention of title. Supplier shall be shown the insurance policy on request. The Buyer hereby assigns to Supplier in advance all claims against the insurance provider resulting from the insurance policy. Supplier hereby accepts this assignment. If the Buyer has insufficiently insured the delivered Goods, Supplier shall be entitled but not obligated to insure the delivered Goods at the expense of the Buyer. **c)** In the event of attachment or other third party seizures of the Goods subject to retention of title, the Buyer shall immediately inform Supplier thereof. **d)** The Buyer shall be entitled to sell the Goods subject to retention of title in the ordinary course of business provided the Buyer is not in default of payment. Goods subject to retention of title shall not be pledged or title thereto transferred as collateral. The Buyer hereby assigns the claims arising from the resale or on another legal basis (in particular, transfer of title to the end customer, taking out insurance, claims in tort, civil offenses and other unlawful acts) regarding the Goods subject to the retention of title as collateral in full to Supplier. Supplier hereby accepts this assignment. Supplier shall revocably authorise the Buyer to collect the claims assigned to Supplier on Supplier's behalf in its own name. If the Buyer breaches the Agreement, in particular if the Buyer is in default regarding its payment obligations, Supplier shall be entitled to notify the third party debtor of the assignment or/and to require the Buyer to disclose the assignment and to be provided with the information and documentation required for the collection of the claims by the Buyer. **e)** If the Buyer defaults on payment, Supplier shall be entitled to rescind the Agreement and require the Buyer to return the Goods subject to retention of title without needing to set a reasonable grace period for rectification. After the Goods have been returned Supplier shall be authorised to utilise the Goods. The right to assert additional claims for compensation shall remain unaffected by the foregoing. **f)** Should the value of collateral or

any other securities provided to Supplier in accordance with the above provisions exceed the amount of Supplier's claims by more than 10% Supplier shall be obligated to release this excess value. Supplier shall be entitled to choose which securities to release. **g)** If the law of the country where the delivered items are located does not allow for retention of title or only in a restricted format, Supplier shall reserve the right to retain other rights to the delivered Goods. The Buyer shall cooperate with all required measures (e.g. registration) to realise the retention of title or other rights in place of retention of title and to protect these rights.

4. **Terms of Payment:** Buyer will be invoiced upon shipment. Payment shall be made by Buyer net 30 days from the date of invoice unless otherwise agreed, without any deduction, set-off, withholding or similar offsets. Offsetting counterclaims of Buyer or the retention of payments due to such claims shall only be permitted if the counterclaims are undisputed or have become final and absolute, or in the case of reciprocity of these claims with the claims of Supplier. Supplier may determine in its reasonable discretion that Buyer's financial condition is such that payment in advance is warranted and, if payment in advance is not received, may cancel this Agreement and any open orders under this Agreement without penalty. If Buyer fails to make any payment due hereunder when due, Supplier may recover interest thereon at the rate of 0.75% per month until paid, or the maximum lawful monthly interest rate, whichever is less. If Supplier files suit to recover late payments, Buyer agrees to reimburse for Supplier's attorneys' fees and costs. In the event Buyer is in default with payment of any invoice, all invoices for all deliveries made/services rendered by Supplier shall become immediately due for payment. In any event, Section 321 BGB shall otherwise remain unaffected.

#### 5. Damages and Warranties:

5.1 Buyer shall to inspect the delivered goods immediately upon delivery by Supplier. Obvious defects shall be reported within 5 working days after receipt of the Goods by the Buyer or his representative, stating the defect claimed by the Buyer. In this case, the Goods shall be left untouched for the purpose of inspection by Supplier. Non-obvious defects of any kind shall be reported immediately after their discovery.

5.2. Supplier warrants that the Goods will conform to the agreed description and specifications and will be free from defects in material and workmanship, and Supplier warrants that any services will be performed in a good and workmanlike manner. The duration of the warranty for the applicable Good is the "Warranty Period", which shall be 12 months from delivery to Buyer; Sec. 7d) below remains unaffected. Claims for damages due to the breach of providing remedies in terms of Sec. 437 Nr. 1, 439 German Civil Code only exists if Supplier requested Buyer within the warranty period of 12 months to (i) remedy the defect and (ii) Supplier breached his obligation to provide a remedy. If Buyer provides written notice to Supplier during the Warranty Period of a claimed defect and returns the applicable Good to the original shipping point, transportation prepaid, Supplier will, at its option, repair or replace such Good, shipment to Buyer prepaid. The repair or replacement of Goods shall occur within a commercially reasonable period following receipt of a claim and return of the Good.

All items, components, or parts replaced under this warranty shall become the property of Supplier.

5.3. The foregoing warranties and warranty remedies are void and do not apply if repairs not conducted by Supplier affect the Goods' operation or safety or where modifications or alterations are carried out by the Buyer or by third parties without the prior written consent of Supplier. The warranty does not cover damages caused by insufficient, incorrect or forceful operation of the Goods, by failure to observe the operating instructions, by overloading, by the use of unsuitable materials, consumables or accessories unless specifically approved in writing by Supplier for use with the Good, by chemical or electrolytic action, or by the use of spare parts from an outside source. Supplier makes no warranties as to any equipment or accessories not manufactured by Supplier unless otherwise agreed, and Buyer shall be limited only to the warranties, if any, provided by the manufacturer of such equipment or accessories.

5.4. The Supplier does not assume any other warranty than the foregoing unless expressly agreed in writing, including but not limited to merchantability and fitness for a particular purpose.

6. **Information and Technical Advice:** Information and recommendations from Supplier shall be non-binding and exclude all liability unless Supplier assumed an obligation in writing to provide information and recommendations.

7. **Limitation of Liability:** a) Supplier's liability – irrespective of the legal reason – is limited to damage caused by Supplier, Supplier's executives, legal representatives, employees or other vicarious agents by intentional, by gross negligent or careless (*einfach fahrlässig*) breaches of fundamental contractual obligations. Fundamental contractual obligations shall mean contractual obligations which characterize the Agreement and which are essential for the fulfillment of the contractual purpose and the infringement of which would put the objective of the Agreement at risk. b) In cases of careless violation of fundamental contractual obligations, Supplier's liability shall be limited to damages which are typical for comparable transactions of the same type and which were foreseeable on conclusion of the Agreement or, at the latest, when the violation occurred. c) Claims for compensation under the German Product Liability Act, due to the lack of a guaranteed characteristics or arising from death, physical injury, damage to health or based on other compulsory legal requirements shall be unaffected by the foregoing limitations. d) Claims for damages in accordance with the above para. a) to c) shall become time-barred within the statutory limitation periods.

8. **Dispute Resolution and Governing Law:** If this parties cannot resolve a dispute regarding this Agreement through good faith negotiation, it will be resolved in the courts competent for the registered office of Supplier. Supplier is entitled to assert claims against Buyer also in the courts competent for Buyer's registered office. German laws will govern this Agreement. The parties disclaim any application of the United Nations Convention on Contracts for the International Sale of Goods to this Agreement.

9. **General:** No waiver of any breach of this Agreement shall constitute a waiver of any prior or subsequent breach of any similar or dissimilar provision or a modification of the Agreement. No addition to or modification of any provision of this Agreement shall be binding upon Supplier unless agreed in writing by Supplier. Buyer may not assign any

of its rights or delegate any of its obligations hereunder, in whole or in part, without the prior written consent of Supplier.

10. **Export Restrictions:** Buyer shall not export either directly or indirectly any Goods, or any system incorporating Goods, either in contravention of statute or regulation or without first obtaining all required licenses and permits.