

General Terms of Purchase

I. Scope

1. Orders of goods, of movable objects which are to be produced or generated, or of services, placed by Cartonplast Holding GmbH and its affiliated companies ("CPL") with the corresponding provider ("Seller") on the basis of purchase, work or service contracts, are to be carried out exclusively subject to the following General Terms and Conditions of Purchase ("Terms and Conditions of Purchase"). The Terms and Conditions of Purchase shall also be deemed to constitute a part of all contracts for subsequent orders – in particular such placed by telephone – without this requiring an additional explicit reference hereto. The Terms and Conditions of Purchase shall be deemed to have been recognised by the Seller by the execution of CPL's order. The Terms and Conditions of Purchase shall only apply in relation to businesses as defined in section 14 of the BGB (German civil code).

2. Terms and conditions of the Seller which contradict, or deviate from, these Terms and Conditions shall not be recognised by CPL, even if CPL has not explicitly objected to such terms and conditions. Another regulation shall only apply if CPL has explicitly approved their validity in writing. These Terms and Conditions of Purchase shall also exclusively apply even if CPL accepts the delivery without reservation whilst being aware of contradictory or deviating terms and conditions of the Seller. For ongoing business relationships, these Terms and Conditions of Purchase shall also apply to future contracts concerning orders of goods or services between CPL and the Seller (collectively referred to as the "**Parties**"), without CPL having to refer to these Terms and Conditions again in each individual case.

3. A written contract or a written agreement shall be decisive for the contents of individual agreements between the Parties and shall have priority over these Terms and Conditions of Purchase.

II. Orders

1. Orders, their changes and/or supplements are only binding if placed or confirmed in writing by CPL. CPL is bound to an order for a period of ten (10) working days from the date of its written order. A delayed acceptance shall be deemed as a new offer and requires written acceptance by CPL. If the contents of the order confirmation deviate from the contents of the order, the Seller must point this out explicitly and separately. In such cases, a contract shall only be concluded upon written acceptance by CPL.

2. The Seller's offers are free of charge. Sample shipments may not be charged except if explicitly agreed otherwise in individual cases.

3. The contract shall be concluded upon the timely receipt by CPL of the written order confirmation from the Seller which must have the same contents as the order, upon the written acceptance of a delayed or changed order confirmation from the Seller, or upon acceptance of the delivery by CPL.

III. Documents

CPL reserves the property rights and copyrights to illustrations, drawings, calculations and other documents which are handed over to the Seller by CPL; they may not be made accessible to third parties without CPL's expressed written consent. They are to be used exclusively for the fulfilment of the relevant contract; after the final processing of the contract they are to be returned to CPL without request. They are to be kept secret from third parties, also after the termination or expiry of the contract.

This non-disclosure obligation shall only cease to apply if, and in as far as, the information contained in the documents which were handed over has become general knowledge.

IV. Delivery

1. Delivery shall be carried out according to DAP (Incoterms 2010), to the place of destination named in the order, unless otherwise agreed between CPL and the Seller. The respective place of destination is also the place of performance (obligation to deliver - "*Bringschuld*").

2. Agreed dates and deadlines are binding; if delivery periods are stated, such periods shall commence on the date of the order confirmation. The decisive date for adherence to delivery periods is the receipt of the goods at the place of destination specified by CPL.

3. The Seller must immediately notify CPL of expected delays in delivery or a possible failure to make the delivery in full or in part, stating reasons for, and the expected duration of, the delay. Premature deliveries or partial deliveries may only be carried out with CPL's prior written consent.

4. If the Seller does not fulfil his obligations within the agreed timeframe, CPL shall be entitled to request that the Seller pay lump-sum damages once the delivery date has been exceeded. These damages shall amount to a total of 0.5 % per working day, however, to a maximum of 5 % of the total net remuneration amount. CPL is entitled in individual cases to provide proof that the damage incurred was higher. Higher damages can in particular occur if claims are asserted against CPL by a customer on account of the delay in delivery, or if penalty payments become due and payable.

5. If CPL accepts a delayed delivery, CPL may nevertheless assert the afore-mentioned rights, even if CPL has not explicitly reserved the right to do so upon acceptance of the goods.

6. Excess deliveries which have not been agreed shall entitle CPL to accept the excess goods delivered with a corresponding validation of the invoice, to refuse their acceptance and to store the excess goods at the Seller's cost until they are collected by the Seller, or to return to the Seller the excess goods delivered, at the Seller's cost. The costs incurred by the examination of the excess delivery may be imposed upon the Seller.

7. Delivery is carried out in a packaging which is suitable for the requirements. Except if provided for in a written individual agreement, packaging does not need to be returned.

8. If the delivery comprises machines and/or partial machines, the technical documents and full instructions for use are also to be delivered, free of charge. The technical documents must comply with the prerequisites of the Directives on machinery (2006/42/EC). CPL shall acquire a free right of use to the technical documents. For software, the delivery obligation shall only be deemed to have been fulfilled when the complete documentation has been handed over.

9. The Seller undertakes to state on all shipping documents and delivery notes the order number, quantity, delivery dates and quantity units, gross weight, net weight and, if applicable, calculation weight, material designation as well as the residual quantity for partial deliveries approved by CPL; if the Seller fails to do this, delays in acceptance or payment shall not be the responsibility of CPL.

10. The Seller shall be liable towards CPL for the damage and costs caused by improper shipment (such as charges due to standstill of waggons, shunting costs, etc.).

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Anything to the contrary shall only apply if the Seller can provide proof for the fact that neither he nor his vicarious agents are at fault with regard to the improper shipment.

V. Own personnel, sub-contracting

Assigned work services are always to be provided by the contractor and/or his in-house vicarious agents. The assigned vicarious agents must meet the special requirements of the respective contract for work and services. The Seller is not entitled, unless with the prior written consent of CPL, to have the owed service provided by third parties (e.g. subcontractors). If such consent is granted, the Seller shall remain fully obligated to provide the service. The Seller bears the risk of procurement for the service unless the service relates to a custom-built manufacture. Costs for transport insurance will not be borne by CPL.

VI. Passing of risks

The risk of accidental loss or deterioration of the goods and ownership in the goods shall pass to CPL at the stipulated place of destination. If an acceptance declaration is owed according to the nature of the service or by virtue of an agreement, such acceptance declaration shall be decisive for the passing of the risk. In the event of freight shipments, a shipping notice is to be sent to CPL separately on the day of the shipment.

VII. Delay in acceptance

In the event of a delay in acceptance on the part of CPL, the statutory regulations shall apply. However, the Seller must explicitly offer the service to CPL even if a defined or definable calendar time has been agreed for an act or provision of assistance by CPL (such as provision of material). Should CPL be in default of acceptance, the Seller shall have the right to request reimbursement of his additional expenses in accordance with the statutory regulations (section 304 of the BGB). If the contract relates to non-fungible objects to be produced by the Seller (custom-made manufacture), the Seller shall only be entitled to further rights if CPL has undertaken to provide assistance.

VIII. Force majeure

In the event of force majeure, such as fire, flooding, war, official measures, unrest, unforeseeable and unavoidable interruptions of transport or operation, industrial action, impairments due to foreign exchange or equivalent unforeseeable impairments of delivery without the fault, and outside the control, of CPL, CPL shall be released from the obligation of acceptance for the duration of the impairment, in as far as the impairment has a substantial influence on the acceptance of the goods or services. In as far as the event of force majeure is of a temporary nature, CPL is entitled to request fulfilment at a later date. If an event of force majeure lasts for more than four months, CPL is entitled to cancel the contract in full or in part; the Seller shall not have a claim for damages. The assertion that an event of force majeure has occurred must be made within one week after CPL has become aware of the event concerned.

IX. Prices

1. The agreed prices are fixed prices; they include statutory value added tax. In the absence of a deviating written agreement, the price includes delivery "free buyer's address", including packaging.

The shipping costs shall be borne by the Seller. If, as an exception, a price is agreed "ex works", "ex warehouse" or "excluding packaging", CPL shall only bear the lowest freight costs and the cost price of packaging.

2. The Seller shall bear all import customs duties, taxes, charges and costs incurred due to the order, if any.

X. Terms of payment

1. Invoices are to be issued separately for each order. Only properly issued invoices, i.e. invoices in accordance with the stipulations of CPL's orders, can be authorised for payment. The Seller is responsible for all consequences occurring due to the non-compliance with this obligation, except if he is able to prove that he is not responsible for such consequences.

2. Except if agreed otherwise, payments shall be made within 14 days with 2 % cash discount, otherwise within 30 days net without deduction. The payment deadline shall only commence after receipt of the goods in accordance with the contract, including proper delivery note and invoice. Maturity interest (i.e. interest from the due date onwards) is not owed. The entitlement to default interest remains unaffected.

3. Payments will be made to the Seller. The Seller may only assign his claims or have them collected by third parties with CPL's prior written consent.

4. In the event of faulty delivery, CPL is entitled to withhold payment on a pro rata basis until satisfactory performance has been carried out. The date of – even complete – payment has no influence on CPL's right to file a complaint, nor on the Seller's warranty obligations. The Seller shall only be entitled to rights of offset or retention on account of counter-claims which have been declared final and binding or are undisputed.

5. Payment does not represent any recognition of the Seller's conditions or prices and no waiver of claims for defects with regard to the delivery. A subsequent report of a defect is hereby not excluded. Price increases require expressed acknowledgement by CPL before they come into force.

XI. Hazardous goods

The packaging and marking of hazardous goods is to be carried out according to the relevant valid statutory provisions, in particular according to the regulations governing the carriage of dangerous goods by ocean-going vessels (GGVSee), the regulations governing the domestic and cross-border carriage of dangerous goods by road, using railway waggons and inland waterways (GGVSEB), the regulations concerning international carriage by rail of dangerous goods (RID), the Convention concerning international carriage by rail of 9 May 1980 (COTIF) and the European Agreement of 30 September 1957 concerning the international carriage of dangerous goods by road (ADR). The goods are to be expressly marked as hazardous and/or flammable or explosive in the order confirmation and in the invoice.

XII. Duties according to REACH/ supplier information

1. The Seller guarantees that the goods delivered by the Seller do not contain any substances contained in the REACH candidate list valid at the time of production, in a concentration of more than 0.1 per cent. The REACH-candidate list can be found under

http://www.echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp.

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Should the goods not meet the prerequisites under sentence 1 above, this shall be deemed to constitute a defect and CPL may in such cases refuse acceptance and assert further statutory claims.

2. In order to be able to prove the requirements according to clause XII. 1. and clause XIII. of the Terms and Conditions of Purchase, the Seller shall have quality assurance tests carried out by independent, internationally recognised laboratories (e.g. IST, VERITAS, IFTH) every 6 months. These test results are to be kept in safe custody. If CPL so requests, the Seller shall submit these test results within 10 working days.

3. The Seller shall provide the following information in offers and order confirmations, free of charge: information as to whether the object of delivery is liable to an export permit and the relevant list position number according to German export law; information on the registration of the Seller's product under foreign export control regulations (e.g. US-CCL (Commercial Control List)); information as to whether the ordered goods are liable to an export permit under the valid EC Dual Use Regulation and the corresponding list position number; statistical goods number; country of origin of the goods. CPL hereby explicitly reserves the right to cancel the contract should CPL not be granted any required export permits.

4. The Seller undertakes to declare to CPL the substances contained in its products (by naming the associated CAS numbers and proportions by weight in the homogeneous substance) if these substances are listed in one of the following legal standards:

- *Chemikalien-Verbotsverordnung* (regulation on the prohibition of chemicals)
- *Altfahrzeug-Verordnung* (end-of life vehicle regulations)
- *Elektro- und Elektronikgerätegesetz* (electrical and electronic devices act)
- *Chemikalien-Ozonschichtverordnung* (ozone layer chemicals regulation)

5. The Seller shall confirm to CPL the origin of the goods in accordance with the statutory regulations, among others by providing supplier's declarations, declarations of origin or EUR.1. In the supplier's declaration, the Seller shall state the origin characteristics of his goods in accordance with the regulations regarding origin valid in the country of destination notified to the Seller by CPL.

XIII. Quality

1. The goods (incl. design and markings) must comply with the agreed stipulations and, if applicable, the sample. The goods must furthermore meet the requirements of CPL's quality stipulations as described in the order form. Only those goods which meet the afore-mentioned requirements shall be deemed goods with the required reference condition. If goods fall short of the quality stipulations, such goods shall be deemed to be defective.

2. In as far as the packaging of the goods is part of the scope of the order, it is to be produced in line with the agreed stipulations and the goods are to be packed accordingly therein.

Wrongly or faultily packed goods or packaging constitute a defect. Packaging or packaging components may only be used if the stipulations of the German packaging regulations (*Verpackungsverordnung*) concerning the avoidance and recycling of packaging waste are complied with by the Seller. In particular, the cumulative concentration of lead, cadmium, mercury and chrome VI may not exceed 100 ppm, unless an exception according to the packaging regulations applies. Furthermore, PVC may not be used and, when using packaging made of plastic, the stipulations of the regulation on the prohibition of chemicals (*ChemVerbotsV*) are to be complied with.

XIV. Warranty

1. The statutory regulations shall apply with regard to the commercial obligation for inspection and notification of a defect (sections 377, 381 of the HGB - German commercial code), with the following proviso: CPL's inspection obligation is limited to defects which appear during the incoming goods inspection during an external inspection of the goods, including the delivery documents as well as during the quality control inspection in the random sample procedure (such as damage in transit, incorrect deliveries and shortfall in delivery). Otherwise, the decisive aspect shall be whether an inspection is reasonable according to the proper course of business, taking into consideration the circumstances of the individual case. The notification of defects shall be deemed to have been made in good time if CPL notifies the Seller of obvious defects within ten working days from the handing-over, and of hidden defects within five working days from their discovery.

2. CPL shall be entitled to the statutory claims for defects in their entirety. In any event, CPL is entitled to request that the Seller, at CPL's discretion, either rectify the defects or deliver new goods. Deviating from section 442 (1) 2 of the BGB, CPL shall be entitled to unrestricted claims on account of defects even if CPL is not aware of such defects upon conclusion of the contract as a result of gross negligence.

3. Under purchase, service and work contracts, the Seller shall also be fully liable for consequential damage. If a defective object is installed into another object or connected therewith as intended, the Seller shall also be liable for damage to the processed or reworked object itself, as well as for damage to third party objects, provided that such damage would not have occurred without the installation or use of the defective object. The Seller shall also be liable for compensation for indirect damage in the event of the faulty repair of an object.

4. If the subsequent rectification (*Nachbesserung*) or substitute delivery (*Ersatzlieferung*) is carried out inadequately once again, CPL, after setting a deadline, is entitled to cancel the contract, if applicable also with regard to such parts of the delivery which have not yet been fulfilled. In cases of special urgency or imminent danger, CPL is entitled to either carry out the rectification itself, at the Seller's cost, or to have it carried out by a third party. If the setting of a deadline is unreasonable for CPL (for instance due to special urgency which does not permit a prior notification or setting of a deadline, danger to operational safety or threatening occurrence of disproportionate damage), it is not necessary to set a deadline; the Seller shall be informed hereof immediately, if possible before the rectification is carried out.

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5. After the cancellation, goods which were not delivered in accordance with the contract will be returned to the Seller at the Seller's cost and risk. CPL reserves the right to take over delivered defective goods at special conditions yet to be agreed; in this event, the Seller is, however, not released from his obligation to supply faultless goods.

6. The warranty shall end upon expiry of 36 months from delivery of the ordered goods to the place of destination stipulated by CPL. This statute of limitations shall apply accordingly to claims on account of defects of title, whereby the legal statute of limitations for third-parties' in rem claims for surrender of possession (section 438 (1) no. 1 of the BGB) shall remain unaffected; claims on account of defects of title shall additionally under no circumstances become time-barred as long as the third party can still assert such rights against CPL. In the event of a rectification of defects or substitute delivery by the Seller which the Seller is obligated to effect by virtue of law or contract, the warranty period shall restart with regard to the renewed /substituted parts of the goods. In order to maintain the warranty claims, it is sufficient that CPL has reported the defect to the Seller within the warranty period.

7. The limitation period for warranty claims shall be suspended from the time of the report of the defect by CPL onwards, and shall only resume after the explicit rejection of the warranty claim by the Seller or after the discontinuation of negotiations in this respect.

XV. Defects of title and property rights

1. The Seller shall be responsible for ensuring that the goods which are to be delivered and their application do not violate any third-party rights, such as trademark rights, in the Federal Republic of Germany or in the export regions previously notified to the Seller by CPL.

2. The Seller undertakes to indemnify CPL upon first written request from such third-party claims as well as from all necessary expenses, to defend against all resulting law suits, and to bear all associated direct or indirect costs. The Seller is liable for the damage incurred on account of a breach of existing third-party rights, unless the infringement of rights is due to an explicit stipulation made by CPL to the Seller.

3. The Seller shall make all reasonable efforts to obtain from the holder of the infringed rights a corresponding licence for the use of the goods by CPL, which shall be transferred to CPL free of charge.

XVI. Liability/ product safety

1. If the Seller is responsible for product damage, he is obligated to indemnify CPL upon first request from and against any and all claims for damages asserted by third parties, to the extent to which the cause lies within his scope of control and organisation and to which he is liable himself in the relationship towards third parties.

2. Within the framework of his liability under clause XV. 1., the Seller is also obligated to reimburse expenses, if any, which arise from or in connection with a recall campaign carried out by CPL. CPL shall inform the Seller of the contents and scope of the recall measures which are to be carried out – in as far as this is possible and deemed reasonable - and shall give him the opportunity to make a statement. Other statutory claims shall not be taken into consideration.

3. The Seller undertakes to maintain a product liability insurance with a liability limit which is customary in the industry for personal injuries and property damage, valid until the respective expiry of the statute of limitations for defects; proof of such insurance is to be provided to CPL upon request. The Seller's contractual and statutory liability remains unaffected by the scope and amount of its insurance cover.

4. Except if these Terms and Conditions of Purchase contain different provisions for the regulation of liability, the Seller undertakes to compensate CPL for any damage which CPL suffers directly or indirectly as a result of a faulty delivery, as a result of a breach of official safety regulations, the provisions of the act on appliance and product safety (*Geräte- und Produktsicherheitsgesetz*), or the product liability act (*Produkthaftungsgesetz*) or as a result of any other reasons which are to be attributed to the Seller. The obligation for payment of damages only exists if the Seller is at fault for the damage caused.

5. The Seller shall ensure that his deliveries and services comply with the relevant laws, regulations and other standards in their respective valid version. CPL's instructions relating to labour safety and environmental protection must be fully complied with if the Seller's services are carried out on CPL's business premises.

6. If a claim is asserted against CPL by third parties on account of strict liability under mandatory foreign law, the Seller shall insofar assume responsibility towards CPL to the extent to which it would be liable directly towards the third party. For the compensation of damage between CPL and the Seller, the principles of section 254 of the BGB (contributory negligence) shall apply accordingly. This shall also apply to the event of a direct assertion of a claim against the Seller. The obligation for compensation shall be excluded in as far as CPL has validly limited its liability towards its own customer.

7. The Seller shall be liable for damage prevention measures by CPL in as far as these measures are caused by defects in the delivered goods. Section 254 of the BGB shall apply accordingly. CPL is entitled to enter into settlement agreements with injured third parties; the Seller's compensation obligation shall remain unaffected, provided that such settlement agreements were reasonable from a commercial point of view.

XVII. Transfer of ownership, insurance

1. Upon payment of goods which have not yet been handed over to CPL, ownership in the goods shall be deemed to have been transferred to CPL; such goods must be separated by the Seller from other goods in stock, and must be stored and marked as CPL's property.

2. CPL automatically acquires unlimited ownership in tools, programmes and provided parts which are handed over or produced or procured on behalf of CPL. Goods provided by CPL shall remain the property of CPL without interruption. These may only be used as intended and only for the production of the goods ordered by CPL. If provided materials are destroyed or damaged, these are to be properly repaired or replaced by the Seller free of charge. If repair is not possible, CPL shall be paid a reasonable monetary compensation.

3. The transfer of ownership in the goods to CPL shall be deemed to have taken place unconditionally and without consideration of payment of the purchase price upon such goods being handed over to CPL.

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All forms of extended or prolonged reservation of title are excluded in any event, so that a reservation of title which may have been validly declared by the Seller will only apply until payment of the goods delivered to CPL has been effected, and will only apply to such goods. In particular, no processing on behalf of the Seller within the meaning of section 950 of the BGB shall be carried out.

4. The Seller shall insure the goods against the risk of fire and theft until they leave his premises, even if the goods have already become CPL's property.

XVIII. Dangers to fulfilment

If the Seller suspends his contractually agreed deliveries to CPL, or if the Seller's financial position deteriorates during the execution of an order, in a manner which seriously endangers the fulfilment of the contract, CPL shall be entitled to cancel the contract for the part which has not yet been fulfilled. CPL is entitled to cancel the contract in its entirety if a partial fulfilment is of no interest for CPL.

XIX. Written form

1. All agreements must be set out in writing. Modifications of, and amendments to, these Terms and Conditions of Purchase, including this written form clause, must also be effected in writing in order to be legally valid. The same shall apply to ancillary and additional agreements.

2. Verbal agreements or representations of CPL's employees shall not be binding for CPL unless these are confirmed in writing by CPL's managing directors (*Geschäftsführer*) or duly authorized representatives (*Generalbevollmächtigter*).

XX. Business secrets

The Seller undertakes to treat as business secrets and keep confidential all commercial and technical details which are not public knowledge, and of which he becomes aware through the business relations with CPL. In the event of infringements, the Seller is obliged to pay damages.

XXI. Data protection

Personal data shall be collected, stored and used by CPL in line with the provisions of the federal data protection act (*Bundesdatenschutzgesetz*), in particular in as far as these are necessary within the framework of the contractual relationship and for the processing of the order.

XXII. Place of performance/applicable law /place of jurisdiction

1. Unless otherwise provided for by the contract, CPL's registered place of business shall be the place of performance.

2. The laws of the Federal Republic of Germany shall apply to the legal relationships between CPL and the Seller, under the exclusion of the United Nations Convention on contracts for the international sale of goods of 11 April 1980 (CISG). Other, including future, international conventions shall not apply, even after they have been incorporated into German law.

3. The exclusive place of jurisdiction for all disputes between CPL and the Seller shall be Dietzenbach, Germany; CPL shall, however, also be entitled to file action against the Seller at the Seller's registered place of business.