

Section 1 General - Area of Application

- (1) The present Terms of Sale are valid for all business relationships between us - Stettler Kunststofftechnik GmbH & Co KG - and our customers. Our Terms of Sale only apply to businesses as defined in Section 14 of the German Civil Code (§ 14 BGB). Therefore, 'Customers' within the meaning of our Terms of Sale are exclusively natural persons or legal entities or partnerships endowed with legal personality acting in a corporate capacity or in a capacity as self-employed professionals.
- (2) Our Terms of Sale apply exclusively. They also apply to future purchase orders placed by our Customers. The applicable version in each case is the version of our Terms of Sale valid at the time of the conclusion of the contract (available online at www.stettler.de/agb, downloads). Customer terms contradicting or deviating from these Terms of Sale are not accepted unless we expressly agree to their validity. Our Terms of Sale also apply when we perform for our Customers without reservations even if we are aware of sales conditions of our Customers that conflict with or deviate from our own.

Section 2 Quote - Contract Documents, Intellectual Property (hereinafter: 'Intellectual Property')

- (1) Our quotes are always subject to confirmation and without obligation. However, our Customers' mandates/purchase orders are binding. We are entitled to accept our Customers' offers of contract implied in their binding purchase order within two weeks of receipt. Acceptance may be declared in writing or through delivery to the respective Customer.
- (2) Drawings, depictions, dimensions and measurements, weight or any other information are only binding if we have explicitly accepted them as binding in writing. Public statements, recommendations or advertisements do not constitute a binding description of the nature of the goods either.
- (3) We reserve all property and Intellectual Property rights and copyrights to images, drawings, calculations, and other documents that are made accessible to our Customers. These may only be used within the limits specified by us and may not be made accessible to third parties without our express consent.
- (3) Our Customers avouch that the rights of third parties, in particular their property, Intellectual Property rights, and copyrights, are not infringed upon by the execution of the contract. Our Customers fully indemnify us from the claims of third parties made in connection with the execution of a contract with them. This does not affect the provision in Section 280 para. 1 sentence 2 of the German Civil Code (§ 280 Abs. 1 S. 2 BGB).

Section 3 Prices - Terms of Payment

- (1) The purchase price offer in each Customer's respective binding purchase order / mandate is binding. Unless otherwise agreed, our prices are quoted net '**Ex Works**' / '**EXW** Untersteinach 15, 96154 Burgwindheim, Incoterms® 2010, exclusive of packaging and transport costs and customs.
- (2) We will not take back means of transportation as well as any other means of packaging specific to the items according to the relevant packaging requirements. EURO-pallets, barred boxes and small load carriers (slc) / trays / inlet blisters that are in circulation

- are exempt from this provision. Our Customers must dispose of the packaging at their own expense unless our take-back obligation is statutory.
- (3) Upon Customer request, we will insure the delivery with a suitable travel insurance. The costs thus accrued are borne by the requesting Customer.
 - (4) We reserve the right to change our prices accordingly when, after contract conclusion, costs are reduced or increased for reasons that are beyond our control, in particular wage agreements or the price of materials. We will provide proof of such changed circumstances upon request. In the event of a contract for the performance of a continuing obligation, our Customers are entitled to withdraw from the contract within one month from the date they are notified of the increase in price if no agreement is reached between the two parties.
 - (5) The statutory value-added tax is not included in our prices. It will be stated separately in the invoice at the applicable statutory rate.
 - (6) The deduction of discounts requires a separate agreement.
 - (7) Unless a different term of payment is agreed, our remuneration is due without deductions immediately upon receipt of the invoice. If the term of payment is exceeded, we are entitled to demand due date interest from traders (Section 353 of the German Commercial Code (§ 353 HGB)). The statutory regulations apply in case of delayed payment.
 - (8) Our Customers only have a right of setoff if their counterclaim has been recognized by declaratory judgment, is uncontested, or has been acknowledged by us. Customers have the right to exercise a right to retention if the counterclaim is based on the same contractual relationship.
 - (9) We are entitled to transfer our claims for payment (e.g. to a factor).

Section 4 Period of Delivery, Right to Demand Damages in the Event of Revocation

- (1) The beginning of our period of delivery is subject to the clarification of all technical questions.
- (2) Compliance with our delivery commitment is further subject to the prior timely and appropriate fulfillment of the obligations on the part of our Customers. We reserve the right to defense of a non-fulfilled contract.
- (3) The period of delivery is agreed individually or indicated by us when we accept the purchase order.
- (4) If our Customers default in acceptance or culpably violate any of the obligations to cooperate, we have the right to seek compensation for any damage we suffer including any additional expenses we incur as a result. The right to further claims remains unaffected.
- (5) Events of force majeure that substantially impede the fulfillment of a performance or an obligation or render fulfillment impossible, entitle the affected party to postpone the fulfillment of the performance or obligation by the duration of the impediment and a reasonable running-in period. Force majeure includes industrial action in the operations of any of the parties or industrial action in third-party operations. If due to the nature of the impediment it cannot be expected that the performance is fulfilled within a reasonable time, each party is entitled to partially or completely withdraw from this contract due to the outstanding fulfillment of part of the performance.
- (6) The occurrence of a default on delivery on our part is determined by statutory provisions. In any case, the Customer whose delivery is in default must send a reminder. If we default on delivery, our Customers are entitled to demand lump-sum

compensation for damage caused by the delay. The lump sum for damages is 0.5% of the net price (declared value of the goods to be delivered) per completed calendar week, but is limited to a maximum of 5% of the declared value of the goods that were delivered too late. We reserve the right to present proof that the affected Customer did not suffer any damage or suffered substantially less damage than the aforementioned lump sum.

- (7) Defaults in payment, requests to open insolvency proceedings, taking the information on the debtor's financial circumstances and assets as per Section 807 of the German Code of Civil Procedure (§ 807 ZPO), arising pecuniary difficulties or the event that substantial deterioration of the financial circumstances of one of our Customers become known, entitle us to immediately discontinue deliveries and services to and to refuse fulfillment of current contracts with the respective Customer. At the same time, we are entitled to demand immediate payment of receivables not yet due from that Customer.
- (8) If we have already accepted a mandate in writing and the Customer withdraws from this order with our consent, we are entitled to claim a compensation for lost profit of 30% of the mandate. Customers are free to provide proof that no damage or less damage was suffered.

Section 5 Transfer of Risk

- (1) Unless otherwise agreed, all **deliveries are made 'Ex Works' / 'EXW' Untersteinach 15, 96154 Burgwindheim, Incoterms® 2010**, meaning that our Customers pick up the products/workpieces from our location. The risk of accidental loss or accidental damage to the product/workpiece is transferred to our Customers upon handover.
- (2) In case of an agreement regarding purchases involving delivery by carrier, the risk of accidental loss or accidental damage to the ordered goods is transferred to our Customers upon receipt of the product/workpiece by the carrier, the forwarding agent, or the person specified as responsible for shipping.
- (3) Default in acceptance on the part of the Customer is considered a delivery.
- (4) If shipping is delayed on the request of the Customer, we will bill storage charges of 1% of the invoice amount per month that has started from the originally agreed delivery date. Customers are free to provide proof that no damage was caused at all or that the damage was substantially less than the lump sum. In this case, the Customer concerned is in default of acceptance.

Section 6 Delivery Commitment - Caveat of Delivery from our Suppliers

- (1) We undertake to manufacture and deliver the products ordered with us according to the agreed specifications and the state of the technology and to observe marked quality reference samples in the process. We reserve the right to technical changes within reason.
- (2) Partial delivery is acceptable insofar as it is reasonable for the Customer.
- (3) Every Customer order is subject to the caveat of the correct and timely delivery to us by our own suppliers. The caveat only applies in case the failure to deliver was beyond our control, i.e. in particular if we have closed a matching cover transaction with the manufacturer and yet did not receive any delivery ourselves. In this case, we will

inform the affected Customer about the unavailability of the product/workpiece without delay and are entitled to withdrawal according to the statutory provisions.

- (4) For contracts for which fulfillment consists of several deliveries/performances, non-compliance or faulty or delayed fulfillment of individual deliveries or services will have no effect on other contractually agreed performances/deliveries.

Section 7 Rights of the Customers in Case of Defects (Warranty Rights)

- (1) The Customers' warranty rights presuppose that the affected Customer has notified us of the defects within a week, as is required for the warranty rights to be observed, and according to Section 377 of the German Commercial Code (§ 377 HGB). Customers have the full burden of proof for all qualifying conditions, in particular for the defect itself, the time of detection of the defect, and for the timeliness of the notification of defects.
- (2) Insofar as the product/workpiece is defective, we are entitled to provide supplementary performance in the form of remedy of defects (subsequent improvement) or manufacture and delivery of a new item (compensation delivery) free of defects at our own discretion. We bear all costs necessary for supplementary performance, in particular transportation, infrastructure, labor, and material costs, provided that these are not increased because the product/workpiece is brought to a place other than the place of fulfillment.
- (3) If the supplementary performance fails, Customers are free to demand a lowering of the price (decrease) or cancellation of the contract (withdrawal) as well as compensation for damage. In case of only an insignificant infringement of contract, in particular in case of only insignificant defects however, Customers are not entitled to withdrawal. If a Customer chooses compensation for damage, the liability limitations of Section 8 apply.
- (4) The limitation period for warranty rights is one year from transfer of risk pursuant to Section 5; exceptions are made for claims for damages to compensate for injury to limb, life or health caused by a defect for which we are responsible or intent or gross negligence on our part or that of our vicarious agents. In this case, the statutory limitation period applies. The limitation period in case of delivery recourse according to Sections 478, 479 of the German Civil Code (§§ 478, 479 BGB) remains unaffected.
- (5) Customers will not receive warranties in the legal sense from us. Any manufacturer's warranties remain unaffected by this.
- (6) Customers are not entitled to transfer or pledge claims against us. The provision under Section 354a of the German Commercial Code (§ 354a HGB) remains unaffected by this.

Section 8 Limitations on Liability

- (1) We are liable to our Customers in case of grossly negligent or intentional breaches of duty on our part, on the part of our legal representatives or vicarious agents. In cases of slight negligence - this being restricted to losses foreseeable and typical for this kind of contract - we are only liable if we, our legal representatives or vicarious agents breach a material contractual obligation ("cardinal duty"). In case of a breach of a minor contractual obligation we are not liable in case of slight negligence. The aforesaid limitations on liability do not apply to claims resulting from the German

Product Liability Act (Produkthaftungsgesetz). Further, they do not apply to damage to limb, health and life attributable to us.

- (2) Insofar as liability to us is limited or excluded, the same applies with regard to the personal liability of our employees, legal representatives and vicarious agents.

Section 9 Use of Molds from Outside Manufacture, Provided Materials

- (1) We are under no obligation to test the suitability for use and proper functioning of provided tools (hereinafter 'Molds from Outside Manufacture') or provided materials unless the defect of the Molds from Outside Manufacture and the materials is apparent. This applies accordingly with regard to engineering drawings provided by our Customers if we make adjustments to the Mold from Outside Manufacture according to the engineering drawings provided by them.
- (2) When a Mold from Outside Manufacture is used for the first time, this mold is subjected to a visual inspection upon receipt; externally visible defects must be documented during this so-called receiving inspection. If external defects are detected, the Customer must be notified and it must be determined whether any measures prior to the use of the mold are necessary. The Customer shall bear the proven costs thus incurred.
- (3) Customers who provide a Mold from Outside Manufacture and commission us to carry out injection molding operations with it have the responsibility for the intended number of pieces and mold life reached with this tool. We are only under the obligation of maintaining the Molds from Outside Manufacture according to the Customer's specifications and according to the usual maintenance requirements.
- (4) If a Mold from Outside Manufacture is provided that is to be integrated into our manufacturing process, and should this require any adjustments, we are not responsible for defects of the product/workpiece resulting from defects of the provided injection mold. Liability for defects to our property or third-party property resulting from defects of the Mold from Outside Manufacture is subject to the general provisions.
- (5) Paragraphs 1 to 4 also apply to other tools and devices provided by the Customer, e.g. hot runner systems and the like.

Section 10 Securing of Retention of Title

- (1) We retain title to the products/workpieces until receipt of all payments from the relevant order. If the Customer acts in breach of the contract, in particular if the Customer defaults on payment, we are entitled to take back the products/workpieces after appointment of an appropriate deadline. The repossession of the goods constitutes a withdrawal from the contract. After the return of the goods, we are entitled to dispose of the goods; the earnings from the disposal less reasonable disposal costs will be offset against the accounts payable by the Customer.
- (2) The Customer must handle the products/workpieces carefully. Insofar as maintenance and inspection work is necessary, the Customer must carry them out in a timely manner and at the Customer's own expense.
- (3) In case of attachment of property or any other interventions by third parties, the Customer must notify us immediately so that we may take action according to Section 771 of the German Code of Civil Procedure (§ 771 ZPO). If the third party is unable to reimburse us for the court and out-of-court costs of an action brought in accordance with Section

- 771 of the German Code of Civil Procedure (ZPO), the Customer is liable for our losses.
- (4) The Customer is entitled to resell the products/workpieces in the ordinary course of business; hereby the Customer already assigns to us all claims equivalent to the invoiced final amount of our claims (including value-added tax) which accrue to the Customer on resale to other purchasers or third parties, independently of whether the delivered items are resold in a processed or unprocessed condition. We hereby accept the assignment. The Customer remains entitled to recover this claim even after assignment. Our right to collect the claim ourselves remains unaffected by this. We reserve the right to collect the claim ourselves as soon as the Customer does not meet the payment obligations in a proper manner and defaults in payment. If this is the case, we are entitled to demand that the Customer inform us of the assigned claims and the debtors; give us all the information and relevant documents necessary to assert our rights; and inform the debtors (third parties) of the assignment.
 - (5) Processing or alteration of the products/workpieces by the Customer is always carried out for us. If the product/workpiece is processed together with other items that do not belong to us, we acquire co-ownership of the new object in the proportion of the value of the product/workpiece (invoiced final amount plus statutory value-added tax) to the other items processed at the time of processing. The same provisions as to the product/workpiece delivered subject to retention of title apply to the item created by processing.
 - (6) If the product/workpiece is irreversibly combined with other items that do not belong to us, we acquire ownership of the new object in the proportion of the value of the object purchased / work supplied (invoiced final amount plus statutory value-added tax) to the other items combined at the time of combining. If the goods are compounded in such a way as to make the object belonging to the Customer the principal object, it is regarded as agreed that the Customer assigns proportional co-ownership to us. The Customer stores the property or mutual property thus produced for us.
 - (7) The Customer also assigns to us the third-party claims securing our claims against the Customer arising from the combination of the product/workpiece with real property.
 - (8) On the Customer's request, we undertake to release the securities due to us insofar as their recoverable value exceeds the claims to be secured by more than 10%; the choice of the securities to be released rests with us.

Section 11 Applicable Law - Court of Jurisdiction - Place of Fulfillment

- (1) This agreement is subject to the laws of the Federal Republic of Germany except where the regulations of the UN Convention on Contracts for the International Sale of Goods (CISG) apply.
- (2) The contract language is German. This also applies in the event that the contractual parties exchange contractual deeds in a foreign language. Should any disputes arise concerning content and interpretation of the contracts concluded by the contractual parties, the contract is to be interpreted according to the ordinary and customary use and understanding of the German language.
- (3) If the Customer is a trader as defined by the German Commercial Code, a body corporate organized under German public law, or a specialized entity subject to German public law, it is hereby agreed that as per Section 38 of the German Code of Civil Procedure (§ 38 ZPO) the place of jurisdiction for all disputes arising between the Customer and ourselves is our place of business in Burgwindheim. The same

applies if the Customer does not have a place of general jurisdiction in Germany. We are also entitled to bring an action against the Customer in the court having jurisdiction over the Customer's place of business or the place of the contracting branch.

- (4) Unless something to the contrary arises, our place of business is the place of fulfillment.

Section 12 Final Provisions

If individual parts of the present Terms of Sale are invalid, the validity of the remaining provisions is not affected.

General Terms of Sale – Last updated: November 2016