

General Terms and Conditions of Purchase valid from 20 April 2017

Section 1 General

- (1) These terms and conditions shall apply to the following companies:

Moritz J. Weig *GmbH & Co. KG* [Limited partnership with a private limited company as a general partner]
Tecnokarton *GmbH & Co. KG*
Weig *Logistik GmbH & Co. KG* [Logistics *GmbH & Co. KG*]
Weig *Casack GmbH & Co. KG*
Weig *Packaging GmbH & Co. KG*
NWD *GmbH & Co. KG*
ALPA Rohstoffhandel · *Logistik und Spedition GmbH* [Logistics and Haulage Limited Liability Company]
FK *Fürther Kartonagen GmbH & Co. KG* [Cardboard packaging *GmbH & Co. KG*]
Friedrich *Freund GmbH*
Weig *Packaging Holding GmbH*

- (2) Our General Terms and Conditions (hereinafter referred to as: GTCs) shall exclusively apply to the conclusion of the contract; terms and conditions set by the supplier which conflict with or deviate from our GTCs will not be acknowledged by us unless we have explicitly agreed to their validity in writing. Our GTCs shall even apply if we meet our contractual obligations without reservation despite being aware of the supplier's terms and conditions contrary to or deviating from our GTCs.
- (3) Our GTCs shall only apply in relation to another company (Sections 310 (1), 14 *BGB* [German Civil Code]), a legal entity under public law or a special fund under public law.
- (4) Any settlement between us and the supplier with regards to an amendment of the agreement or the performance of this agreement shall be, for evidentiary purposes, made in writing. This shall also apply to supplements. The written requirement may only be repealed in writing on an individual case basis.
- (5) Our GTCs shall also apply to all future business with the supplier.
- (6) Our place of business shall be the exclusive place of jurisdiction; we are, however, entitled to sue the supplier at the supplier's local court as well.
- (7) Unless arising otherwise from the confirmation of order, our registered offices shall be the place of fulfillment for all deliveries and services.
- (8) This agreement is subject to German substantive law excluding the UN sales law.

Section 2 Orders and Commissions

- (1) If our order does not explicitly mention a period of commitment, we commit ourselves to the purchase for two weeks from the date of the order. The point in time we receive the declaration of acceptance shall be decisive when determining whether the order has been accepted in time.
- (2) We are at any time entitled to change the time and place of delivery as well as the type of packaging in writing with a period of at least 7 calendar days before the agreed delivery date.

Section 3 Prices, Payment Terms, Invoice Details

- (1) The price stated in the order shall be binding.
- (2) In the absence of a deviating written agreement, the price shall include the delivery and transport to the delivery address stated in the agreement including any packaging material. At our request, the supplier shall take back the packaging material at its own expense. We shall only bear the costs of insurance, in particular of transport insurance, following our previous declaration of acceptance made in writing.
- (3) Unless agreed otherwise, we shall pay our invoices from the day the goods were delivered and receipt of invoice within 14 calendar days with a discount of 3 per cent or within 30 calendar days with a discount of 2 per cent or within 60 days net. The receipt of the transfer order at our bank shall be sufficient for the payment to be considered on time, given that such order is accepted and processed by our bank.
- (4) Any order confirmations, delivery documents and invoices shall state our order number, the product number, the quantity delivered and the delivery address. Should one or several of these details be missing and, as a consequence, our processing time thus be delayed in the course of our normal business operations, the payment terms mentioned under clause 4 shall be extended by the duration of the delay.

- (5) We shall be entitled to offsetting or retaining rights as well as the plea of non-performance within the scope of law. We are, in particular, entitled to retain any outstanding payments as long as we still hold claims arising from incomplete or inadequate deliveries.
- (6) The Contractor shall only be entitled to offsetting or retaining rights on the basis of legally ascertained, recognised or undisputed counterclaims.

Section 4 Delivery Time and Delivery, Performance, Transfer of Risk, Liquidated Damages

- (1) The delivery time (delivery date or period) stated in the order shall be binding. Early deliveries or partial deliveries shall only be admissible with our written consent.
- (2) The supplier undertakes to notify us immediately in writing if circumstances occur or become apparent which suggest that the agreed deadline cannot be adhered to.
- (3) In the event of a delay in delivery, the occurrence of which shall be based on the statutory provisions, we shall be entitled to unrestricted legal claims, including the right to rescind from the contract and the entitlement to liquidated damages instead of the service upon expiration of an appropriate grace period.
- (4) In the event of culpable default in delivery, we shall, upon prior written warning to the supplier, be entitled to demand liquidated damages in the amount of 0.5 per cent, to a maximum of 5 per cent, of the respective net order value for each commenced week of delay. In the event of culpable default in delivery for partial services, we shall also be entitled to liquidated damages in the amount of 0.5 per cent, to a maximum of 5 per cent, of the total net order value of the concerned partial service for each commenced week of delay. We reserve the right to further claims for damages, against which the liquidated damages will be set off. If we decide to accept the delayed service, the liquidated damages shall be paid no later than with our final payment.
- (5) Without our written approval, the supplier shall not be entitled to transfer the order in part or in full or to have it executed by a sub-supplier.
- (6) The risk shall only be transferred to us at the point the goods are handed over to us at the agreed place of destination, even if the shipping has been agreed upon.

Section 5 Guarantee and Warranty Claims

- (1) The supplier guarantees that the goods delivered by it fully comply with the service description stated in the order. Deviations shall not be admissible without our explicit consent, even if the goods that the supplier intends to supply are functionally identical with the goods stated in the order.
- (2) In the event of defects we shall, without limitation, be entitled to statutory claims. The warranty period shall be 2 years from the day of delivery (Section 438, paragraph 1, No. 3 *BGB*).
- (3) The supplier shall assume the quality control with regards to the goods to be delivered by it. Our inspection and complaint obligations shall thus be limited to defects that are revealed at the incoming goods inspection during an external examination (for example transport damage, wrong or short deliveries). If an acceptance of goods has been agreed upon, a separate obligation to inspect shall not apply. Notifications of any defects as to quality or quantity are deemed to have been made in time if they are made within 10 days after the goods were received by us. Notifications of any hidden material defects shall be deemed to have been made in time if they are made within 10 days after such defect was detected.
- (4) The costs incurred for the inspection of supplementary performance shall be borne by the supplier even if the supplementary performance proves to be unjustified. This shall not apply if our request for supplementary performance was expressed with the knowledge or the grossly negligent lack of knowledge that no defect is present.
- (5) We do not waive our guarantee claims through acceptance or approval of the samples or test products received.
- (6) Upon the supplier's receipt of our written defect notification, the statutory limitation of guarantee claims is suspended. In case of a replacement delivery or removal of defects, the liability period for replaced or mended parts shall start over again unless we can see that the action was only carried out as a gesture of good will and *ex gratia*.

Section 6 Notification and Due Diligence Obligations

- (1) If we have informed the supplier of the intended purpose of the performance or if said intended purpose can be discerned by the supplier, even without being expressly advised of it, the supplier shall be under a duty to inform us without undue delay

if the supplier's performance is not suitable for fulfilling the said intended purpose.

- (2) The supplier shall notify us in writing and without undue delay of any changes in the nature of the composition of the material or the constructional designs compared to similar deliveries or performances rendered up until then. The changes shall only be admissible for the further performance of the contract following our written approval.
- (3) The supplier shall guarantee that the deliveries and performances comply with the environmental-protection requirements, the requirements of the accident prevention and any other regulations regarding the occupational safety and comply with national technical standards.
- (4) The supplier shall immediately inform us about any product-specific requirements regarding the handling or disposal of the delivery that are not generally known.
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Section 7 Fire Protection, Environmental Protection and Occupational Safety

- (1) If the supplier, within the scope of the contractual relationships, carries out work or deliveries within the company premises of the principal, the supplier shall strictly adhere to the internal regulations (in particular safety, environmental, fire protection and hygiene regulations) applicable to the respective business premises or ensure that they are adhered to by its employees and sub-suppliers. The ordering party shall not bear the risk for property of the supplier or its employees brought to the company premises of the ordering party.
- (2) The supplier shall request such regulations in advance from the respective company and shall brief and instruct its employees accordingly.
- (3) The supplier shall be liable for any culpable breach of such internal regulations committed by its employees and sub-suppliers. The supplier acknowledges that the respectively valid version of the regulations is available for inspection at each of the company premises.

Section 8 Spare Parts

- (1) The supplier shall be obliged to store spare parts for the products provided to us for a time period of at least 5 years after delivery.
- (2) If the supplier intends to discontinue the production of spare parts for the products delivered to us, it shall immediately inform us about the decision regarding discontinuation. This decision shall – subject to paragraph one – be made at least 6 months before the production is discontinued.

Section 9 Free Issue Equipment

- (1) Objects of any kind which we provide to the supplier and which are required to manufacture the deliveries and services ordered by us shall remain our property. They shall exclusively be used to render the ordered deliveries and services.
- (2) The supplier undertakes to perform necessary maintenance and inspection work at its own cost and to adequately insure the provided goods. Evidence for such insurance shall be provided upon request.

Section 10 Product Liability

The supplier shall be liable for any claims asserted by third parties based on personal injury or damage to property where these are attributable to a faulty product it has supplied. The supplier undertakes to indemnify us against any resulting liability.

Section 11 Minimum Wage

- (1) The supplier undertakes to always comply with minimum wage provisions (in accordance with *MiLoG* [Minimum Wage Law] and/or a generally applicable collective wage agreement) and to pay (at least) the minimum wage to the employees utilised to perform this business relationship.
- (2) Upon request, the supplier shall provide proof of compliance with the valid regulations and payment of minimum wages.
- (3) The supplier shall indemnify us from any claims arising in connection with minimum wages; this shall also apply to fines incurred. The supplier further undertakes to immediately inform us if it is suspected that the supplier or any of its subcontractors infringe the minimum wage provisions.

Section 12 Intellectual Property Rights

- (1) The supplier shall be responsible for ensuring that, in connection with its deliveries, no intellectual property rights of third parties in countries of the European Union, North America or other countries in which it manufactures products or has them manufactured in are infringed.
- (2) The supplier undertakes to keep us harmless against any claims which third parties assert against us based on the infringement of the intellectual property rights mentioned under paragraph 1 and to reimburse us any necessary costs in connection with such claims. This entitlement shall be irrespective of whether the supplier is at fault or not.

Section 13 Confidentiality

- (1) We reserve the rights of ownership and copyrights for estimates, drawings and other documents; they must not be made available to third parties. This shall particularly apply to written documents classified as "confidential"; the client must obtain our explicit written permission before passing them on to third parties. We undertake to only make plans classified as confidential by the supplier available to third parties following the supplier's approval. The supplier undertakes to keep any commercial or technical information concerning our company which it becomes aware of during our business relationship and which are not available to the public confidential and only use this within the scope of performing the agreement. Employees and sub-suppliers shall be obligated accordingly.
- (2) When providing references or issuing any other publications intended to represent its company, the supplier may only use our company or one of our symbols subject to property rights following our written approval.

Section 14 Severability Clause

Should any individual provision of the contract agreements be or become invalid, the validity of the other provisions shall remain unaffected. If a provision of the part individually agreed upon is void, the parties to the agreement undertake to substitute such void provision with a provision coming as close as possible to the intended purpose of the void provision. The same applies in the event of a regulatory gap.