

Terms and Conditions of Shipping and Delivery for the Companies of the Knipping Kunststofftechnik Group - Last updated 01/2020

1. Agreed terms

- Our General Terms and Conditions of Business apply only in business dealings with entrepreneurs (*Unternehmer*) as defined in Sec. 14 of the German Civil Code (BGB). The terms and conditions set out below form the exclusive basis for our offers and all agreements with us. They are deemed to have been acknowledged when an order is placed, or at the latest upon acceptance of the delivery.
- We hereby expressly reject, on a final basis, any terms and conditions of the party placing the order that deviate herefrom unless we have expressly accepted them in writing.
- Our terms and conditions also apply to all future transactions.

2. Acceptance of order

- Unless expressly agreed otherwise, our offers are not binding.
- The acceptance of the order takes place through our written order confirmation or through actual performance of the delivery.

3. Delivery; shipping costs; passage of risk

- The delivery is to be understood as "FCA Delivery Plant." In the case of delivery by a different company that we have commissioned to engage in production, delivery is to be understood as taking place from that company's respective operating site.
 - If no express agreement was reached regarding the shipping method and means of transportation, we will make a selection with the care customary in business dealings. Taking out transportation insurance and similar insurance policies is the responsibility of the party placing the order. In the case of deliveries, the party placing the order must ensure that unloading can take place without delay. We reserve the right to charge for time spent waiting and for return freight.
 - If the goods are ready for pickup and shipping, we are entitled to set a reasonable time limit for the party placing the order to accept them. If the goods are not accepted within this period, we are authorized to place the goods in storage at the expense of the party placing the order and to charge for them. Nothing herein shall affect claims for damages and other statutory claims.
 - If the party placing the order does not accept a quantity that was commissioned on a binding basis, we are, subject to our other claims, entitled to impose additional charges for lower quantities.
 - Reasonable partial deliveries are permitted.
 - We reserve the right to make deliveries within a quantitative framework of up to 10% over or under the ordered quantity.
 - Our delivery obligation is deemed to have been fulfilled in full, and the risk passes to the party placing the order, as soon as the party placing the order has been notified, in the case of orders for pickup, that the order is ready for pickup and this party is in default. In all other cases, the risk passes to the party placing the order when the goods are handed over to the forwarder or carrier, and in any event no later than when they leave our delivery plant, warehouse, or other shipping location. This applies even if the goods are delivered by us carriage paid. Shipping takes place at the risk of the party placing the order in all cases, even in the case of FOB and CIF transactions.
 - If the consignment is accepted by the carrier without any objections, liability on our part for packaging or loading does not enter into consideration.
 - Packaging shall be charged at cost.
- ### 4. Molded inserts
- Unless otherwise agreed, any required molded inserts must be supplied free of charge by the party placing the order. A surplus of 10% with regard to the order quantity must be provided to cover manufacturing waste.
- ### 5. Delivery time limits; impediments to delivery
- Delivery time limits or delivery dates indicated by us are not legally binding unless they have been expressly agreed as binding. The sole factor determining whether the delivery time limit has been observed is the time of notification of readiness to ship. If no express fixed date has been agreed, default in performance shall not occur until after a formal reminder has been issued.
 - The buyer cannot rescind the contract until after a reasonable time limit has elapsed. Even after the time limit elapses, the party placing the order is obligated to accept the order unless the declaration of rescission reached us before the notification that the order is ready to ship was sent.
 - If we, our statutory representatives, or our vicarious agents are responsible for intent or gross negligence with regard to the occurrence of default or had guaranteed a fixed date or if the party placing the order demonstrably no longer has an interest in the order due to the default, we are liable in accordance with the statutory provisions. To the extent that the default in delivery is based on culpable breach of an essential contractual duty and non-compliance therewith jeopardizes the purpose of the contract, liability is limited to the foreseeable and typically occurring damage and/or losses. In all other respects, liability is ruled out.
 - Compensation for damage and/or losses due to production stoppages, downtime costs, lost profit, or contractual penalties promised to third parties that have arisen or fallen due as a result of late delivery to the party placing the order or its customers will be provided only if a binding delivery date was agreed and the party placing the order pointed out, when agreeing on this date, the specific damage and/or losses and costs that could occur if the date was missed.
 - All delivery time limits shall commence only after all documents necessary to execute the order have been received and payment has been received, where it was agreed that payment would fall due immediately upon placement of the order. If the party placing the order is required to provide accessories or molded inserts, the delivery time limit shall not commence before all such items are received.
 - Unless otherwise agreed in writing, release orders must be scheduled at least 14 days before the desired delivery date. If the party placing the order accepts the order quantities only in part, we are, without prejudice to our other claims, entitled to impose an additional charge for lower quantities. We are entitled to ship and charge for the full ordered quantity six months after the order has been confirmed if no release order has been placed by then.
 - If production or shipping is impeded or delayed for reasons for which we are not responsible, the delivery time shall be extended accordingly by the demonstrable duration of the impediment. When the extension of the time limit is calculated, a reasonable run-up period to resume performance actions must be taken into account. Claims for performance and secondary claims on the part of the party placing the order during this period are ruled out.
 - In the event of significant deterioration in the financial circumstances of the party placing the order, particularly if it discontinues payment or files for insolvency, our obligation to deliver ceases to apply.
 - If we are prevented from delivering due to *force majeure*, the delivery date must be extended without further ado by the duration thereof plus a reasonable run-up period. Circumstances that are unforeseeable when the date is agreed and for which we are not responsible and that render delivery unreasonably difficult or temporarily impossible are deemed equivalent to *force majeure*. Examples include delivery delays on the part of the intended upstream suppliers, labor disputes, actions of government agencies, unavoidable shortages of raw materials or energy, significant operational disruptions due to destruction of the entirety of the business or important departments thereof or the failure or elimination of indispensable production facilities, serious transportation disruptions, etc., such as road blockages, labor disputes in the transportation trade, driving bans.
 - If these circumstances last longer than three months, we also have the right to rescind the contract. At the request of the party placing the order, we are required to declare whether we will rescind or deliver within a reasonable time limit to be determined by us. Claims for damages on the part of the party placing the order are ruled out in these cases.
 - Both Parties are permitted to rescind the contract without any obligation to pay damages if it has been determined that performing the contract has become impossible due to these circumstances.
- ### 6. Prices and payment terms
- If prices have not been agreed on a binding basis in written form, the prices stated in our order confirmation apply. Otherwise, our daily prices apply.
 - Unless otherwise agreed, our prices are to be understood as being in euros, exclusive of packaging, value-added tax (VAT), shipping and insurance costs ex works (EXW) and only for the individual order in question. They also apply only to the services listed. Special services are charged separately. Unless otherwise agreed (e.g., in the case of fixed prices), both Parties are permitted to adjust the prices if a period of more than four months elapses between the time when the price is agreed and when the order is carried out and the prices of raw materials, upstream suppliers' prices, wages, transportation costs, tax rates, or other cost factors change by more than 5% and the specific change in question was not foreseeable when the contract was entered into.
 - Unless otherwise agreed, 1/3 of the cost of tools is due and payable net without any deductions at the time when the order is placed, 1/3 upon delivery, and 1/3 30 days after delivery. In all other respects, our payment terms for deliveries for claims falling due immediately are 30 days net from the invoice date without any deductions. In the case of payments within ten days, we grant a 2% prompt payment discount. Invoiced amounts under 100 euros are not eligible for a prompt payment discount. Invoices with more recent dates are not eligible for a prompt payment date if there are still older invoiced amounts open and unpaid. Incoming payments are applied first to any interest claims and then to the oldest receivables in arrears in these cases. Payments must be remitted to us directly.
 - Our representatives, field associates, warehouse managers, and similar persons are not entitled to accept payments unless they hold written authorization from us to do so. Payments made to them nonetheless are not considered to constitute performance unless and until payment is received by us.
 - We accept bills of exchange only where expressly agreed and only on account of performance. In the case of protests of bills of exchange or of checks, payment must be remitted in cash immediately.
 - If the financial circumstances of the party placing the order deteriorate significantly, or we become aware that our payment claims were already in jeopardy when the contract was entered into, we are entitled to demand that the invoiced amount be paid in full, revoking any agreed payment terms. This applies accordingly if two reminders have been transmitted to the party placing the order regarding payment of a single invoice and these have not produced the desired result.
 - The party placing the order cannot offset counterclaims of its own against our claims except where its counterclaims are undisputed or have been established with final, binding legal force or if a pending legal dispute is not delayed by the setoff.
- ### 7. Obligation to inspect the goods and report complaints
- The goods must be inspected without delay after delivery at the destination, including if samples were sent. The delivery is deemed to have been approved if no written complaints regarding obvious defects or defects that are recognizable upon proper inspection have been submitted to us prior to installation or further processing or within a limitation period of eight days after the goods arrived at the destination. Complaints regarding damage occurring in transit or incomplete deliveries must be submitted immediately.
- ### 8. Warranties; claims regarding defects
- Warranty declarations must be expressly designated as such in the order confirmation or be agreed in writing after the fact. Indications concerning properties or characteristics of our products, the processing and use

thereof, particular accuracy of measurements, and compliance with DIN specifications do not constitute warranties of a particular quality unless they have been expressly agreed in the case at hand.

- Claims regarding defects** are ruled out for differences in quality, dimensions, density, weight, and similar if such differences do not exceed the deviations customary for the industry and material, particularly if they lie within the tolerances established by quality guidelines or standards.
 - In the case of justified and timely complaints, we will either effect a cure or supply a replacement, at our option. For replacement deliveries, we are entitled to a reasonable period, particularly as necessary to produce the replacement goods. If the defect does not affect the fitness for purpose and there is no significant defect, we are entitled to grant a reduction in payment in lieu of effecting a cure. Further claims on the part of the party placing the order presuppose that we are in default of effecting a cure due to significant defects and a reasonable cure period has elapsed or two attempts to effect a cure have failed. Even after the cure period elapses, we are entitled to effect a cure until such time as we have received an unambiguous declaration from the party placing the order expressly rejecting any further performance. Instead of rescinding and demanding damages in lieu of performance, the party placing the order may, in these cases, demand the costs of replacement performance provided that these do not exceed the net order value of the defective portion of the delivery.
- ### 9. Liability
- Nothing herein shall affect non-waivable provisions on product liability.
 - Based on the statutory provisions, we are liable in case of breaches of warranty or personal injury and to the extent that we, our statutory representatives, or our vicarious agents are responsible for intent or gross negligence.
 - Where we negligently violate an essential contractual duty and non-compliance therewith jeopardizes the purpose of the contract, our obligation to provide compensation for property damage is limited to compensation for the foreseeable and typically occurring damage and/or losses.
 - Further claims are ruled out.
 - No compensation will be provided for purely financial losses, particularly damage and/or losses due to operational interruptions and downtime.
 - The foregoing limitations of liability apply to the same extent to our representatives, employees, vicarious agents, and other agents in the performance of our contractual obligations.
- ### 10. Retention of title
- Until such time as all of our claims against the party placing the order arising from provision of goods and services, now or in the future, are paid in full, we are granted the following items of security, which we will release at our option upon request to the extent that the value thereof exceeds our overall claims by more than 10% on a lasting basis:
 - The goods remain our property. Processing or alteration always take place for us as the manufacturer, but without any obligation against us. If the goods are processed together with items, substances, or other external assets that do not belong to us, including for a third party as manufacturer, we become the co-owner of the new item in proportion to the value of our goods to that of the external assets at the time of processing.
 - If our ownership (or co-ownership) lapses due to items being combined, it is hereby agreed that the party placing the order's ownership (or co-ownership) of the uniform item shall pass to us in accordance with the proportional value (invoiced value).
 - The party placing the order shall keep the property (or shared property) in safekeeping at no charge. The party placing the order is, as the custodian thereof, obligated in particular to insure the goods properly, treat them with care, and ensure in the process that no risk to persons or property is possible. The possible risks must be properly covered by insurance policies. Goods of which we are the owner or partial owner are hereinafter referred to as "goods subject to retention of title."
 - The party placing the order is entitled to process and sell the goods subject to retention of title in the ordinary course of business provided that this party is not in default of payment. Pledging the goods or transferring title thereto by way of security is not permitted. The party placing the order hereby assigns to us by way of security the full amount of all claims arising from the resale of goods and services or from another legal basis (installation, insurance, tortious acts) with regard to the goods subject to retention of title. The party placing the order is revocably authorized to collect on the claims assigned to us for its own account and in its own name. This collection authorization may be revoked by us if the party placing the order does not properly comply with its payment obligations.
 - In the event of interference by third parties with the goods subject to retention of title, the party placing the order shall point out that we are the owner thereof and notify us without delay. Costs and damages caused by such interference shall be borne by the party placing the order.
 - In the event of conduct on the part of the party placing the order in breach of contract – particularly in the event of default of payment – we are entitled to take back the goods subject to retention of title or, where applicable, to demand that the claims to surrender of the party placing the order against third parties be assigned. As the indirect possessor of the goods subject to retention of title, we have the right to enter the premises of the party placing the order. If we take back or attach the goods subject to retention of title, this does not constitute rescission of the contract, nor does disclosure of the assignment by way of security.
 - At our request, the party placing the order is obligated to provide information on all claims assigned, particularly providing a list of the debtors stating the names, addresses, amounts of the claims, and the invoice dates and numbers and must, upon request, provide the documents necessary in order to enforce the claims.
 - We are entitled to make use of assets of the party placing the order that are subject to our actual intervention as security and to dispose freely thereof after a reasonable settlement sum has been offered without success.

- ### 11. Industrial property rights
- If we are obliged to deliver according to drawings, models, or samples that the party placing the order provides to us, the party placing the order is responsible to us for ensuring that the production and delivery of these objects do not infringe industrial property rights of third parties.
 - Where third parties prohibit us, based on industrial property rights, from producing and/or delivering objects that we are obliged to produce according to drawings, models, or samples provided by the party placing the order, we are entitled, without being under any obligation to review the legal situation and to the exclusion of any and all rights on the part of the party placing the order, to discontinue production and refrain from delivering; the party placing the order is required to compensate us for the costs we have already incurred by executing the order.
 - In all cases, the party placing the order undertakes to indemnify us and hold us harmless from and against claims for damages by third parties and to compensate us in full for damage and/or losses suffered by us as a result of the infringement or the assertion of any claims regarding third-party industrial property rights.
- ### 12. Tools; approval of samples; period for storage
- The tools created by us remain our property in all cases. We are not obligated to surrender these to the party placing the order. The tool costs charged are only portions of costs unless otherwise agreed. Tool changes and major overhauls due to wear are charged separately. After the tool costs billed have been paid in full, we will grant protection for the form and professional service and maintenance at no charge.
 - After the tools are completed, the party placing the order shall receive output samples to check. Series production cannot start until these output samples have been accepted in writing.
 - If no further parts have been produced using a tool after a period of five years since the last delivery, we have the right to scrap the tool.
 - If the party placing the order provides tools, we cannot acknowledge any complaints regarding the parts produced using those tools insofar as these complaints are attributable to the specific quality of the tools.
- ### 13. Data processing
- We point out that data concerning business transactions are processed within our company and reserve the right to transmit the data necessary to obtain credit security to the insurer.
- ### 14. International legal dealings
- These terms and conditions of business and the entirety of the legal relations between us and the party placing the order are subject to the laws of the Federal Republic of Germany, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- ### 15. Supplementary provisions; place of performance; place of jurisdiction
- Where the party placing the order is a merchant (*Kaufmann*), legal entity existing under public law, or a public-law special fund, the place of performance for the delivery obligation incumbent upon us is the respective production plant in the case of deliveries ex works and the respective warehouse location in the case of deliveries ex warehouse. The place of performance for the obligations incumbent upon the party placing the order is the respective location of the production plant.
 - Where the party placing the order is a merchant (*Kaufmann*), legal entity existing under public law, or a public-law special fund or does not maintain a registered office in the Federal Republic of Germany, the place of jurisdiction is the respective location of the production plant for all disputes arising directly or indirectly from the contractual relationship. This also applies to procedures involving checks and bills of exchange. In all cases, we are also entitled to take legal action in the location of the registered office of the party placing the order, at our option.

Leingarten, January 2020

Knipping Kunststofftechnik Group

The following companies belong to the Knipping Kunststofftechnik Group:

Knipping Kunststofftechnik Gessmann GmbH Leingarten plant
Mailing and billing address: Dieselstrasse 27, 74211 Leingarten, Germany
Loading address: Dieselstrasse 25, 74211 Leingarten, Germany
DUNS: 315564963 | VAT ID: DE 145 803 074

Knipping Kunststofftechnik Gessmann GmbH Talheim plant
Mailing and billing address: Sontheimer Feld 1, 74388 Talheim, Germany
Billing address: Dieselstrasse 27, 74211 Leingarten, Germany
DUNS: 342530473 | VAT ID: DE 145 803 074

Knipping Kunststofftechnik King Plastic GmbH Gummersbach plant
Mailing, loading, and billing address: Hammerwiese 3, 51647 Gummersbach, Germany
DUNS: 325277119 | UID: DE811204710

Knipping Kunststofftechnik King Plastic GmbH Ottendorf Okrilla plant
Mailing, loading, and billing address: Bergener-Ring 14, 01458 Ottendorf-Okrilla, Germany
DUNS: 330829503 | UID: DE811204710