

General Purchasing Terms (GPT) of Texplast GmbH

1. General

1.1 These General Purchasing Terms (GPT) alone shall apply for contracts with businesses within the meaning of Section 14 of the German Civil Code [BGB], that is, with natural persons or legal entities or partnerships having legal capacity, which are exercising their commercial or independent professional work when dealing with us in business transactions.

1.2 Orders and other agreements concerning the supply of goods of all types including those concerning investment goods and services for us shall only be made in accordance with these General Purchasing Terms alone, which, when a contract is entered into, are also agreed for all future business relationships between the Parties to the contract, without reference having to be made to them again. Differing terms and conditions shall not become an integral part of the contract, even if we are aware of them and even in those cases in which refer to a letter containing the Supplier's or Seller's or third party's T&Cs, or if such a letter refers to such T&Cs, unless we have specifically agreed that they shall apply. Likewise, The German General Forwarding Terms shall not be included unless we specifically agree in writing that they shall apply in contracts covering transport services rendered for us. In addition to this, when the corresponding clauses are used in these General Purchasing Terms or contractual agreements with us – not only for international, but national contracts too - INCOTERMS 2010 of the International Chamber of Commerce in Paris shall apply.

1.3 All agreements including side agreements concerning the content of the contract and its execution are, unless subsequent amendments could come into consideration, shall only be valid if they have been entered in the contract in writing. Payment reminders, time limits set and other statements made to us shall only be valid if they have been made in writing.

2. Order

2.1 Orders shall be placed in writing as a matter of principle. They are in all cases to be confirmed in writing by the Supplier or Seller straightaway within three days. If the confirmation is not received by us on time, we shall no longer be tied to our declaration that we are willing to enter into a contract and we may revoke an order without incurring any charges.

2.2 All terms and conditions, specifications, standards, data sheets and other documents which are attached to the order or mentioned therein, as well as specifications which are exchanged in the run-up to entering into a contract with regard to the future order shall constitute an integral part of the order.

2.3 The Supplier or Seller may only contract work/services out to sub-contractors with our consent.

3. Prices, Payment, Assignment and Offsetting

3.1 Agreed prices are fixed prices in EURO excluding VAT. Unless agreed otherwise in writing, the terms of delivery for international contracts shall be DDP (DELIVERED DUTY PAID) to the destination, that is the works of Texplast GmbH in Bitterfeld-Wolfen in accordance with INCOTERMS 2010, in inner German contracts DAP (DELIVERED TO NAMED PLACE) to the destination, that is the works of Texplast GmbH in Bitterfeld-Wolfen in accordance with INCOTERMS 2010. Deliveries for which, notwithstanding the above, it has been agreed in individual contracts that the costs of dispatch are to be taken over by the Buyer, are to be dispatched by the cheapest route.

3.2 If the price has not been fixed when the order is placed, it is to be quoted to us in writing by no later than when the order is confirmed. If the set price is not rejected by us within two weeks, i.e. prior to the agreed delivery date if an early delivery is agreed, the price shall consequently be regarded as having been approved. Insofar as the stated price is rejected by us, a contract shall not materialise.

3.3 Unless the Supplier or Seller grants us more extensive rights, our payments shall be made within 14 days from delivery to qualify for a prompt payment discount of 2% or 30 days from receipt of the delivery and receipt of a proper invoice straight net. Payments shall be made subject to the reservation that services have been rendered in accordance with the contract. If we take delivery of a consignment delivered early, the payment period shall begin to run from the delivery date as stated in our order or receipt of invoice by us, depending upon which date is the later one. If goods or services are defective, we shall be entitled to withhold a reasonable amount of the payment until proper fulfilment, and to be more precise, without losing any prompt payment discount, rebates and similar preferential terms of payment. No 5.2 shall not be affected as a result.

3.4 Additional services rendered by the Supplier or Seller shall not be remunerated. An express rejection at acceptance will not be required. Insofar as delivery is to be made to a destination in accordance with No 3.1, the unit quantities and dimensions noted at the weigh-in in goods inward or inspection at goods inward shall apply, subject to proof to the contrary by the Supplier.

3.5 In the event that we withdraw from a contract advance payments already made are to be refunded and interest is to be added at 8 percentage points per annum above the base rate at the time as stipulated in Section 247 of the German Civil Code [BGB] from the date of disbursement onwards. The Supplier or Seller shall be obliged to refund us excess payments. He cannot rely upon the excuse of limitation, or having spent the money and is no longer able to repay it.

3.6. The assignment of the Supplier's or Seller's claims against us to a third party is not allowed. Offsetting with and the retention on account of counter-claims regardless of whatever type is not allowed, unless the counter-claim or the counter-right is not contested by us or has been adjudicated.

3.7 We shall also be entitled to offset against those claims which the Supplier or Seller has against companies associated with us (in particular parent company, sister companies and subsidiaries), notably FROMM Packaging GmbH and FROMM Plastics GmbH, we may also offset against the claims asserted by such customers with claims of our group companies. FROMM Packaging GmbH and FROMM Plastics GmbH. The same shall apply for rights of retention.

4. Delivery Period

4.1 The periods of time and dates agreed for delivery or performance are binding and must be strictly observed (delivery time). Delivery periods shall begin on the date on which delivery begins as stated on the order form.

4.2 As soon as the Supplier or Seller recognises that he will probably be unable to observe the delivery time, he must notify us straightaway in writing stating the reasons and probable duration of the delay. The Supplier or Seller shall be liable for his own delays as well as those caused by his sub-suppliers or sub-sellers.

4.3 If the delivery period is exceeded, we shall, subject to the statutory preconditions, be entitled, as we choose, to demand delivery and compensation for damages on account of a delayed delivery or else to withdraw from the contract and to demand compensation for damages instead of performance. We shall not have to state that we reserve the right to assert a claim for damages or other claims when taking delivery of the late performance.

4.4 Deliveries prior to the agreed date shall only be allowed with our consent.

5. Origin of Goods, Preferences, International Transportation of Goods

5.1 The Supplier shall undertake to submit a supplier's declaration by the hand-over of the shipping documents at the latest confirming the status of the goods under preference law ("Goods with preferential EU origin status" or "Goods without preferential EU origin status". The wording of the individual supplier status has to comply with the Appendix I of the (EC) ordinance No 1207/2001. A long-term supplier's declaration in accordance with Appendix II of the (EC) ordinance No 1207/2001 which will have to be renewed annually, will suffice for the delivery of goods over a longer period of time. Suppliers from countries which are not members of the EU shall have to submit the transportation of goods certificate or a declaration of origin as proof of origin.

If the origin status is not based upon the Supplier's own business, the Supplier shall have to submit the sub-supplier's supplier's declaration to us as well, if there is one, the supplier's declaration of his sub-supplier (unbroken chain).

5.2 An individual supplier's declaration or proof of origin concerning the existence of a valid long-term supplier's declaration must be handed over for the supplier's claim for remuneration to become due for payment.

5.3 The Supplier shall undertake to inspect his products to verify whether they are prohibited, subject to restrictions and/or have to be licensed in international transportation of goods if they are re-exported in accordance with German, European and US export and customs regulations as well as the export and customs regulations of the country of origin (e.g. with regard to the export list, Dual-Use regulations, US-(Re-) Export regulations etc.) and in applicable cases there are to be marked in his offers, order confirmations and all documents accompanying the goods with clear information that can be understood, followed and agreed with. At our request the Supplier shall be obliged to notify us of all other export data concerning his goods and their components in writing as well as inform us straightaway of all changes in such data.

5.4 In the event of non-compliance with the above obligations, or in the event that declarations have been issued incorrectly, the Supplier shall be liable for all the damages we sustain, including subsequent demands made by import duties, fines etc. levied by countries other than Germany.

6. Part-performances, Passing of Risk and Acceptance

6.1 The Supplier or Seller shall not be entitled to supply part-deliveries unless they have been approved by us.

6.2 The passing of risk shall be determined by the agreed terms of delivery. Insofar as no separate agreement has been made, risk shall pass over to us when the consignment is handed over to us at the works of Texplast GmbH in Bitterfeld-Wolfen.

6.3 Disruptions in production due to force majeure, e.g. labour disputes, civil unrest, official measures, serious operational disruptions for which we are not to blame, and other unavoidable events shall exempt us for the term and extent of the disruption from our acceptance obligation. The point in time of delivery or performance and payment shall be extended accordingly depending upon the duration of the disruption. If the disruption lasts for more than a month we shall be entitled to withdraw from part, or all, of the contract, provided that the force majeure event is of significant duration and our requirement has consequently reduced considerably.

7. Ownership status

7.1 We shall acquire the full title to the item or performance supplied after it has been handed over to us and we do not submit a complaint.

7.2 By handing the goods or performance over to us the Supplier is stating that he is fully authorised to dispose of the goods or performance and that there are no third party rights. We shall not recognise simple or extended reservation of title rights.

8. Warranty rights

8.1 Unless regulated otherwise below, the statutory regulations shall apply for quality and legal defects including incorrect deliveries and shortfalls in deliveries and other breaches of duty.

8.2 The product descriptions, conditions, specifications, standards, data sheets and other documents attached to the order, listed therein, or to which reference is made, shall be regarded as an agreement on features. The Supplier's warranty shall also cover the goods manufactured or supplied by sub-suppliers.

8.3 The Supplier or Seller shall vouch that all goods or services, subject to individually-agreed higher quality specifications comply with state-of-the-art science and technology – and with DIN, VDE, VDI or equivalent standards insofar as they apply – as well as complying with the relevant national and international legal provisions and any official regulations, or regulations from and professional associations and bodies which may apply. In particular he shall guarantee that he will comply with the agreed specifications as well as the quality and fitness for use of the consignment in terms of material, design, and

workmanship and the documents belonging to the consignment. If hazardous goods are supplied within the meaning of the German Hazardous Goods Regulations or products with the use of which the release of such substances cannot be ruled out, the Supplier shall have to provide the data required for drawing up a safety datasheet (Section 14 of the German Hazardous Substances Regulations [GefahrStoffVO]).

8.4 We shall inspect the item or service supplied within a reasonable period of time for any identifiable quality and quantity discrepancies. The duty of inspection and notification of defects shall only begin when the goods enter our works, even if the goods supplied have already become our property or have been handed over to our haulier, freight forwarder or other party instructed by us. A notification of a defect or shortfalls in quantity delivered shall, in all cases, be regarded as having been made on time if they are received by the Supplier within 8 days of delivery to us. The Supplier is to be notified of defects which only become apparent afterwards, within 14 days from identification by us. Given this, the Supplier waives the objection that a defect has been notified late.

8.5 The costs incurred by the Supplier for the purposes of inspection shall also be borne by the Supplier if it turns out that there were in fact no defects. This shall apply if the goods are supplied to or service is rendered at a place other than the place of fulfilment, and it shall also apply for the necessary transport costs. Our liability to pay compensation for damages for unjustified requests to have defects rectified shall still not be affected. We can however, only be held liable if we realised, or only failed to realise through our gross negligence, that there was no defect. The costs to be borne when the defect is rectified or new goods are supplied by the Supplier shall also include the expenditure for packing, freight and delivery from the railway station to our works, the time taken for dismantling and installation, travelling expenses and rectifying the defect. The cure will have been unsuccessful if two attempts to render a cure have failed.

8.6 If the Supplier or Seller fails to fulfil his obligation to render a cure within a reasonable period of time set by us, we may consequently rectify the defect ourselves and demand that the Supplier pay us compensation for the necessary expenditure or give us an appropriate grant. If the cure has been unsuccessful or is unreasonable for us (e.g. because of specific urgency, operational safety being jeopardised or if we incur disproportionate damages) no period of time will have to be set. The Supplier is to be notified straightaway, and beforehand if possible.

8.7 Warranty claims shall expire after 24 months, unless a longer period of limitation is prescribed by law. It shall commence when the consignment is received by us. This shall also apply for the liability of sub-suppliers for quality defects. The Supplier shall be liable for replacements supplied, new deliveries and work rendered in effecting a cure as he is for the item originally supplied. The period of limitation for warranty claims relating to those replacements supplied, new deliveries and work carried out on a cure shall start from the beginning again after the defect complained about has been rectified. In the event that part of an item supplied is replaced, that shall apply for the replaced parts. The restarting of the period of limitation shall not apply if the Supplier or Seller do not recognise their obligation to rectify the defect and act accordingly. The period of limitation shall be suspended for the period of time beginning when our notification of a defect is sent in and it shall restart when our warranty claim has been fulfilled.

8.8 The Supplier vouches that when carrying out the contract as well as when the item is supplied and used, third party proprietary rights in Germany and in other countries shall not be breached. He shall exempt us from third party claims based upon any proprietary rights which may be breached at first call. This covers all expenditure necessary incurred in

connection with claims being asserted by third parties. An agreement may only be made with a third party by arrangement between us and the Supplier.

9. Product liability

9.1 The Supplier shall exempt us at first call from all third party claims based upon non-contractual product liability which are attributable to a defect in the product supplied by him. He shall, moreover, be obliged to compensate us for all damages we incur on account of a defect in the product supplied by him. This includes all the costs we incur as a result of his liability, in particular the costs of mounting a legal defence, the costs of installation and dismantling, recall costs, our processing costs for handling the claim.

9.2 At the request of Texplast GmbH, the Supplier shall have to take out a suitable product liability insurance policy at his own expense, even if he is not the manufacturer of the supplied product (Section 4 Para 3 ProdHaftG), on account of claims concerning him in the event that legal action is taken on account of product liability.

10. Advertising material

The Supplier or Seller may only refer to having a business relationship with us in his advertising material with our express written consent.

11. Applicable law, Place of fulfilment and Place of jurisdiction

11.1 The contracts with suppliers or sellers shall be governed by the law of the Federal Republic of Germany. The UN law on sales [CISG] and the rules governing the conflict of laws of German international private law shall not apply.

11.2 The place of fulfilment for contractual services shall be the place of delivery stated by us, Bitterfeld-Wolfen, unless stated otherwise. The place of jurisdiction is Dessau.

Bitterfeld-Wolfen, dated 15.10.2014

Texplast GmbH