

## I. Scope and Incorporation

1. Our TCB shall only apply towards customers that are businesses in the sense of Sections 14 and 310 of the German Civil Code and shall apply exclusively. Conflicting or deviating Conditions of our customer or other reservations made by our customer at the time of the formation of the contract, shall be effective only if expressly agreed upon in written form.
2. Our TCB apply exclusively and also on all future contractual relations with our customer, even if not agreed upon their applicability expressly.

## II. Written Form, E-Mail, Power of Employees and Delivery Persons

1. Additional or other clauses or provisions, representations or changes have to be made in written form unless they are not made at the time of the formation of the contract.
2. Our employees are not authorized to make oral representations in the course of the formation of the contract or agree orally upon additional clauses or amendments of the contract with our customer unless their authorization hereto is prescribed by law. Such representations, additional clauses, or amendments of contracts made by employees have to be in written form unless they aren't made at the time of the formation of the contract.

## III. Commitment to Offers

1. We shall revoke our offers until their acceptance unless we designate them as binding.
2. In the case the customer's order is an offer in the sense of section 145 of the German Civil Code, we may accept such offer within twelve working days. We are bound to our binding offers for 12 working days as well.
3. Product characteristics mentioned on our website, applicable catalogues or similar materials are not binding, unless such characteristics were agreed upon with the customer or the customer relies on them legitimately due to our public utterance.

## IV. Prices, Payment, Default of Payment, Right of Retention or Offset

1. All prices are net prices ex works, without transport, transport packaging or insurance, payable without any deduction or discount. Usual foil or cardboard packaging will not be invoiced separately.
2. Our prices are binding according to below standing para. III. 3.
3. We may increase the prices agreed upon in the scope of market prices if, 4 weeks or more after the formation of the contract, our costs increase, especially due to increases of cost of materials or bottlenecks in the supply markets. However, if, 4 weeks or more after the formation of the contract, our costs decrease, especially due to decreases of cost of materials or improvements in the supply markets, we are obliged to decrease our prices accordingly. These provisions shall not apply if a fixed price was agreed upon.
4. If customer's default with the payment lasts longer than 30 calendar days, or a petition for insolvency proceedings is filed against customer, we shall be entitled to set due and payable the whole of the price of all deliveries made and services provided to the customer, to retain all deliveries and services, and to demand return of the reserved goods or to collect them from third party areas and take possession of them.
5. The customer shall not be entitled to any right of retention or refusal or offset of his counterclaims against our claims, unless the counterclaims the customer exercises retention or refusal for or sets them off against our claims are uncontested or res judicata.

## V. Sketches, Drafts, Trial Prints, and Samples

1. Sketches, drafts, trial prints and samples will be charged to the customer if the order is not placed.
2. Costs for printing plates, tools or other materials will always be invoiced separately to the customer. After a storage period of 2 years after the last order, we will destroy clichés, tools or other materials that we required for production specifically for the customer. In any case, we shall be entitled to all rights to these items, in particular also copyrights and design protection rights..

## VI. Delivery, Delivery Date, Default of Delivery

1. Without prejudice to his other contractual obligations, the customer shall, without being requested to do so, provide the agreed cooperation and, in addition, such cooperation as may reasonably be expected of him as a bona fide customer.
2. Deadlines for deliveries shall be deemed to have been met when the goods are de facto disposable for the customer.
3. Deadlines for deliveries are agreed upon on the basis of our expected ability to perform and are subject to all facts, events and circumstances not attributable to us and not given at the time of the formation of contract. Such circumstances are especially force majeure, included (but not limited to) and other unforeseeable events. Such circumstances lead to an extension of the delivery date, even if occurring during our default with delivery. In such case, also a deadline set by the customer shall be extended by the duration of the unforeseen event.
4. If we are more than 6 weeks in arrears with a delivery, the customer may withdraw from the contract after setting a reasonable deadline in writing. Delays in delivery for which we are not responsible within the meaning of Section VI. 3 shall not be included in the calculation of the period of delay. Periods of default are computed regardless of circumstances not attributable to us, such as mentioned in para. VI. 3.
5. We reserve the right to withdraw from the contract if a delay in delivery for which we are not responsible within the meaning of Section VI. 3 lasts longer than 6 weeks.
6. We shall be entitled to make partial deliveries to a reasonable extent, in particular, if we have a justified interest in these and these are acceptable to the customer, especially in cases of bottlenecks in our supply markets.

## VII. Retention of Title

1. We retain title in goods we are the owner of and that are meant to be assigned to the customer, prior to the receipt of all payments due from customer's business transactions with us. Claims subject to a condition precedent are included.
2. Until payment in full of the service price, customer shall not pledge the goods, assign or transfer them as security, or otherwise charge them with the rights of any third party, but may sell them in the ordinary course of business. The customer shall make the passing of title of the resold goods subject to their full payment.
3. The customer may sell the goods in the ordinary course of business; he shall not be entitled to make any other dispositions, in particular the transfer of ownership by way of security and pledging.
4. To secure our claims - irrespective of the legal grounds - the customer already now assigns to us from his claims arising from deliveries in which our goods are included, in each case the amount with all ancillary rights which corresponds to our invoice price including value added tax for the goods received.
5. The customer is entitled to collect the purchase prices from resold items until further notice. If we set due and payable the whole of the price of all services provides / goods bought or agreed to be bought by the customer pursuant to para. IV. 4., customer is obliged to inform its buyers from the assignment pursuant to para VIII. 3. to provide us all necessary information, present all relevant documents, resp. make us available its bookkeeping for information purposes.
6. If we assert our claims in accordance with clause IV.4, the customer must grant us access to the goods subject to retention of title, send us a precise list of the existing goods subject to retention of title, separate them out for us and hand them over to us at our request.
7. If the value of the security provided to us exceeds the value of the claims to be safeguarded by more than 30 per cent, we shall, at the customer's request, bring the excess coverage down to 30 per cent by releasing security of our own choice. If turnover tax is payable by us pursuant to sections 170 (2), 171 (2) 3 InsO, this limit is increased to 40%.
8. We shall be notified without delay of any third-party seizure or other event affecting our property and customer has to give us reasonable support on our intervention. Customer has to bear the cost of such intervention having been successful but the costs could be not recoverable from the defendant and compulsory execution against the defendant being fruitless.
9. Customer has no right of retention concerning any security.
10. If the law in customer's country does not recognize retention of title, we shall be entitled to assert and claim all other available property rights in its products.

## VIII. Packaging, Shipment and Passing of Risk

1. Our deliveries shall be professionally and commercially packed for transport at the customer's expense. Transport shall be carried out professionally and otherwise at the customer's expense at our reasonable discretion, taking into account our route planning.
2. The risk of loss and/or damage to goods supplied by us shall pass to the customer when they are handed over to the transport person, the transport person's mandatory or other person we authorized, unless we deliver the goods with our own employees or vehicles to the customer. Should shipment be delayed due to circumstances beyond our control, the risk shall pass to the customer upon notification of readiness for shipment. These provisions about passing of risk also apply on returns after correction of faults, and replacement delivery.

## IX. Deviations from Specifications, Defect(s) or Insufficient Performance

1. Deviations from product characteristics agreed upon shall be deemed according to contract if the deviation reasonably has to be accepted by the customer or does not or not substantially reduce the suitability of the product for the contractually agreed use. The compliance with the actual tolerance guidelines of the German Plastics Processing Industry Association (Gesamtverband der Kunststoffverarbeitenden Industrie), if deviating from the agreed upon characteristics of the product, is deemed to be reasonably acceptable to the customer and not substantially reducing the suitability of the product for the contractually presupposed use. We do not warrant for the durability and light resistance of the printing inks, even if they are described as "lightfast" or "light resistant". We try to reproduce specified color shades and print registers as best as possible; however, we reserve the right to deviations due to technical reasons.
2. Subsection 1 above does not apply if we represented the missing characteristic or could realize that it was of major importance for the customer, or its absence is endangering the sense of the agreement.
3. In the manufacture of bags and similar products, a proportion of up to 2% of defective goods shall not be objectionable and shall therefore also not be deemed to be a defect.
4. Short quantities and excess quantities within the scope of +/- 20% shall not be deemed to be material defects. The quantity delivered shall be invoiced in each case.
5. Customer has to examine the goods without delay and notify us in writing of any recognizable defects and shall, as far as possible with reasonable efforts, specify the defects found. The examination has to be - as far as can be reasonably expected - extended to the packaging materials. Should the customer not notify the defect within 12 calendar days, our work is deemed as accepted - if an acceptance is required for our services by the law, or, if not, as approved by the customer.
6. The customer shall immediately inspect the goods in full for transport damage and report this to us and the transport person without delay and in good time.
7. In the case of warranty under the law of sale, we are entitled - contrary to § 439 BGB - at our discretion to remedy the defect or to make a replacement delivery. This is without prejudice to the customer's right to reduce the agreed remuneration or to withdraw from the contract if the rectification of defects fails - at the customer's discretion.
8. Should an alleged defect prove to be no defect or results from fault of the customer, we may claim for allowance. Customer may prove us that our cost is less than what we charge.
9. Any further claims shall be excluded unless otherwise provided for under section X. and XI.

## X. Limitation

Claims based on warranty concerning used goods, such goods usually not used for a building, become statute-barred in one year, notwithstanding section 438 para. 1 No. 3 of the German Civil Code. This time-barring reduction does not apply for claims based on an intentional or grossly negligent breach of duty on our part and for claims where our liability is not limited pursuant to para XI.1.

## XI. Limited Liability

We shall be liable for customer's damage, irrespective of the legal grounds therefore, only insofar as the following terms provide our liability:

1. Irrespective of the legal grounds thereof, our liability is **unlimited** in case of (i) any form of intent or gross negligence; (ii) personal injuries, including such followed by death; (iii) breach of a guarantee, as far as our guarantee goes; (iv) liability pursuant to the German Product Liability Act or any other mandatory statutory liability regulations; and (v) misrepresentation.
2. If there is no case of item XI. 1. the following shall apply:
  - a. In the event of gross negligence on the part of vicarious agents who are not organs or executives and who do not violate an obligation the fulfillment of which makes the proper execution of the contract possible in the first place and on the observance of which the customer as a contractual partner may normally rely ("cardinal obligation"), we shall only be liable for foreseeable typical damage up to an amount of € 50,000.
  - b. In the event of slight or simple negligence, we shall only be liable for the breach of contractual obligations as p, the fulfillment of which is a prerequisite for the proper performance of the contract and on the observance of which the customer as a contractual partner may regularly rely ("cardinal obligations"). In these cases, however, our liability is limited to foreseeable typical damages and an amount of € 25,000.2. In all other cases of our liability, the following provisions apply:
    - a. In case of **gross negligence** of persons we use to perform our obligation our liability is - irrespective of the legal grounds thereof - limited to 50,000 EURO and we are liable only for the foreseeable damage typical to such contracts. However, this does not apply if such persons are organs or members of the executive staff or breach any obligation the fulfillment of which makes the proper execution of the contract possible in the first place and on the observance of which the customer as a contractual partner may normally rely ("cardinal obligation").
    - b. In the event of slight or simple negligence, we shall only be liable for the breach of contractual obligations as described in 2. lit. a above. In these cases, however, our liability is limited to foreseeable typical damage and an amount of € 25,000.
    - c. Should, in a case our liability is limited to a certain amount, the amount covered by our insurance exceed such limitation, we are liable to the amount of such insurance sum.
    - d. The above provisions apply accordingly for the personal liability of our employees, representatives and organs.
    - e. If we are not liable, but, insofar hold claims against third persons, we will, on customer's written request, assign our claims against such third persons to customer.

## XII. Severability

The invalidity or non-enforceability of any part of the present TCB and of any contract between the parties which refers thereto shall not affect the validity of the remaining terms and conditions thereof.

## XIII. Place of Performance and Jurisdiction, Applicable Law, Interpretation of Terms of Trade

1. Place of performance for all our contractual obligations and place of jurisdiction for all disputes arising out of the contractual relationship is Karlsruhe (Germany). We have the option to sue the customer at its general place of jurisdiction.
2. German law shall apply.
3. Customary terms of trade shall be interpreted in accordance with the INCOTERMS current at the time.
4. In case of a contradiction between the English and the German version of these TCB, the German version shall prevail.

## XIV. Chargeable Address and Company Name; Obligation to report Changes

1. Our company name and summonable address are: Roundliner - Gesellschaft für umweltfreundliche Verpackungen mbH, Werner-von-Siemens-Str. 19, D-76694 Forst.
2. We inform the customer without request about any change of our company name or address. The customer is also obligated to us for such change notifications.