

General Terms and Conditions of Purchase (GTCP)

I. Scope

1. These Terms and Conditions of Purchase apply to all purchase contracts of B&B Verpackungstechnik GmbH (hereinafter referred to as "B&B"), unless B&B has expressly agreed to specific deviations.
2. Deviating or supplementary terms and conditions of the Supplier shall not apply, regardless of how they are received by B&B, unless B&B has expressly agreed to the validity of such terms and conditions in writing signed by a duly authorised representative. This also applies in particular in the event that B&B accepts a performance in the knowledge of the Supplier's conditions without objecting to them again.

II. Order/offer acceptance

1. Orders, amendments to orders and acceptance of offers (hereinafter collectively referred to as "Order") by the Supplier must be made in writing to be valid.
2. All orders placed by B&B must be confirmed in writing by the Supplier. B&B is entitled to cancel the order if the order confirmation is not received within five working days of the order date.
3. The content, type, scope, and quality of the deliveries/performance are solely determined by the written order. In the event that the Supplier deviates from B&B's order in the order confirmation, the Supplier must expressly and clearly indicate this and mark these deviations accordingly. In case of doubt, they are only valid if B&B has confirmed them in writing.
4. If the Supplier offers us or we wish to order from the Supplier products of which the Supplier is aware or has concrete indications that they are to be classified as dual-use goods under EU law, the Supplier must expressly inform us of this fact prior to the formation of the contract.

III. Contract performance

1. The drawings, specifications and other documents provided by B&B are binding on the Supplier. The Supplier must obtain the prior written consent of B&B if it wishes to deviate from the specifications. In addition, the Supplier shall immediately provide notification of any changes to the delivery or performance item, in particular with regard to quality, which are necessary for production reasons or due to changes in statutory or official regulations.
2. The documents provided by B&B are to be checked by the Supplier for completeness and internal dimensional correlations prior to submission of the offer or commencement of production and, if necessary, to be corrected in consultation with B&B. Missing drawings must be requested from B&B immediately. The Supplier shall be liable for any additional work and associated costs resulting from the Supplier's breach of the foregoing obligations.
3. All documents that B&B has provided to the Supplier are the property of B&B and are to be used exclusively for the execution of the deliveries/performance ordered by B&B. These documents may not be disclosed to third parties without the express written consent of B&B.
4. The Supplier shall require its employees and subcontractors to maintain the confidentiality of the documents referred to in the foregoing paragraph in an appropriate manner.
5. All documents that are the property of B&B must be returned immediately upon request and without any right of retention; electronic data must be deleted upon completion of the order without being requested to do so.
6. The Supplier is obliged to send B&B the required number of drawings and other technical documents relating to the delivery item after completion of the delivery/performance. These documents and data must be kept up to date at all times, in particular if any subsequent changes are made to the delivery item.

7. The Supplier undertakes to assign ownership of these documents or data to B&B at no cost. This is without prejudice to the transfer of intellectual property rights.
 8. B&B or third parties commissioned by B&B may use these documents and data free of charge to carry out repairs and modifications and to manufacture spare parts.
 9. The Supplier is obliged to inform B&B on request of the manufacturer and article number of spare or wear parts integrated into the delivery item and procured according to lists or catalogues, insofar as B&B requires these for repairs and/or new procurements.
 10. The Supplier is obliged to give one year's written notification of any planned cessation of production of B&B products and at the same time undertakes to supply spare and wear parts ordered by B&B at the previous conditions for a period of six months from the date of notification. The Supplier assures B&B that it will continue to be able to supply spare and wear parts and deliver them to order at market prices for a further five years after notification.
 11. Full performance of the contract shall include, in addition to the delivery of the goods, the free supply of technical documentation in German and English as amended from time to time:
 - Operating or assembly instructions in accordance with the applicable EU directive
 - Maintenance instructions
 - Declarations of conformity
 - Safety data sheets
 - Other certificates or declarations in accordance with the directives, regulations and standards currently in force
 - Test certificates.
 12. The Supplier is obliged to provide B&B with all information and documents required for the import and, if necessary, the subsequent re-export. This obligation includes, but is not limited to, the following:
 - Shipping and transportation documents
 - Customs and tax codes for goods
 - Country of origin of parts/materials (indicating commercial and preferential origin)
 - Certificates of origin
 - Supplier declarations on preferential origin
 - The dual-use classification (labelling: subject to approval with list item/not subject to approval)
- IV. Free issue parts/materials**
1. Free-issue parts/materials supplied by B&B to the Supplier remain the property of B&B. B&B shall acquire co-ownership of the new item in proportion to the value of these parts/materials if they are combined with third-party items.
 2. Tools, models or samples (means of production) which are provided by B&B to the Supplier for the production of the delivery item, or which are produced by the Supplier with the aid of B&B documents at the expense of B&B, are also the property of B&B and must be identified as such by the Supplier. The production equipment owned by B&B is to be used by the Supplier exclusively for the manufacture of the delivery items ordered by B&B. The Supplier shall handle this production equipment with the utmost care and undertake maintenance and repair work free of charge.
 3. The Supplier agrees to insure any free-issue parts/materials and production equipment at its own expense at replacement value against damage from fire, water and theft. Furthermore, the Supplier assigns any claims for compensation to B&B. B&B accepts these assignments.
- V. Delivery and risk transfer**
1. Unless otherwise agreed, delivery shall be DDP (delivered duty paid) to the destination (Incoterms 2020).

2. Partial deliveries may only be made with the express consent of B&B.
3. The delivery dates stated in the order shall only be deemed to have been met if the complete delivery arrives at the destination and is handed over no later than the contractually agreed delivery date.
4. As soon as the Supplier seriously suspects that it will not be able to fulfil all or part of its contractual obligations, it must immediately notify B&B in writing, stating the reasons and the expected duration of the delay. If the Supplier fails to make this notification, it cannot invoke this obstacle against B&B, even in the event of force majeure or other circumstances for which it is not responsible. This is without prejudice to 275 German Civil Code (BGB). Notification of the delay will in no way alter the agreed delivery date.
5. In the event of delayed delivery by the Supplier, B&B is entitled to demand a contractual penalty of 0.3% of the agreed net purchase price per working day, maximum 7,5% of the net purchase price. In addition to contractual fulfilment, B&B is entitled to claim the contractual penalty until final payment. The penalty may be offset against payment of any outstanding invoices from the same order.

VI. Reservation of title

1. If the goods ordered are delivered under reservation of title, B&B is nevertheless entitled to use, process and/or resell the reserved goods in the normal course of business.
2. If B&B issues parts to the Supplier, B&B retains ownership of these parts. Processing or remodelling by the Supplier are carried out on behalf of B&B. If these reserved goods are processed with other items not belonging to B&B, B&B acquires co-ownership of the new item in the ratio of the value of B&B's item (purchase price plus VAT) to the other processed items at the time of processing.
3. If the item provided by B&B is inseparably combined with other items which do not belong to B&B, B&B shall acquire co-ownership of the

new item in the ratio of the value of the reserved item (purchase price plus VAT) to the other combined items at the time of combination. If the combination takes place in such a way that the Supplier's item is to be regarded as the main item, the Parties agree that the Supplier shall transfer proportional co-ownership to B&B; the Supplier retains the sole ownership or co-ownership on behalf of B&B.

VII. Warranty/notification of defects and liability

1. The Supplier warrants that, at the time of risk transfer, in the case of a contract for work, at the time of acceptance, the delivery item or performance executed are free from defects affecting their value or fitness for purpose, that they have the agreed or guaranteed quality, that they are suitable for the use assumed under the contract, that they comply with the generally recognised rules of technology, the relevant statutory provisions and the rules and regulations of the authorities, trade associations and professional bodies at the place of destination.
2. B&B is entitled to full statutory warranty rights in the event of a defect.
3. The Supplier shall bear the costs necessary for subsequent performance, including those arising from the fact that the delivery item or performance executed have been taken to a place other than the place of performance. The claim shall also include the costs of dismantling the defective delivery items or other services and installing non-defective delivery items or other performance as well as comparable cases (e.g. unpacking and repacking goods). If B&B incurs external or internal costs as a result of the delivery of defective delivery items, for example for inspection, sorting, repacking, storage or administrative work, the Supplier shall reimburse B&B for these costs to an appropriate extent. The gross hourly wage paid by B&B to the employees, including all ancillary costs, shall be taken as the basis for the costs of the employees employed by B&B as reasonable compensation.
4. If the Supplier has given a guarantee for the quality or durability of the delivery item, B&B may also assert claims under the guarantee.

5. The period for inspection and notification of defects in mutual commercial transactions shall only begin in all cases when the goods have arrived at B&B or at an external warehouse designated by B&B and it is appropriate to commence these measures in accordance with the circumstances of an orderly business process. In any event, a complaint made within 5 working days of the discovery of a defect shall be deemed to be prompt and therefore timely.
6. The warranty period is 3 years from the transfer of risk or, in the case of a work contract, from the date of acceptance. If the law provides for longer warranty periods, these shall apply. In the event of repair or replacement, the period of limitation begins anew, unless B&B had to assume from the behaviour of the Supplier that the Supplier did not feel obliged to take this measure, but only undertook the repair or replacement as a gesture of goodwill or for similar reasons.

VIII. Product liability

1. The Supplier shall indemnify B&B against claims arising from tortious producer liability and on the basis of the German Product Liability Act (ProdHaftG) and other national laws implementing the European Product Liability Directive, insofar as the Supplier or its subcontractor has caused the product defect giving rise to liability. Within the scope of its liability for damage within the meaning of this Section, the Supplier is also obliged to reimburse any expenses in accordance with Sec. 683, 670 and Sec. 830, 840, 426, 254 German Civil Code (BGB) which arise from or in connection with a recall action or campaign of public announcements duly carried out by B&B in accordance with its obligations.
2. The same applies if the recall action or public announcement campaign is carried out by B&B's customers. B&B will inform the Supplier of the content and scope of the recall measures carried out, insofar as this is reasonable and possible. The Supplier will be given the opportunity to comment. This remains without prejudice to further legal claims by B&B.

3. The Supplier shall, at its own expense, take out and maintain product liability insurance with cover of at least EUR 10 million per personal injury/property damage claim. The Supplier shall provide B&B with a copy of the liability policy at any time upon request.

IX. Quality controls/audits

In order to ensure that the required quality is met, the B&B shall have the right to visit the Supplier's factory during normal working and business hours and, with prior notice, to carry out an appropriate quality audit. This right shall also apply to the introduction of new products and in the event of justified doubts as to compliance with the required quality assurance measures, in particular in the event of defects or deviations.

X. Third-party rights

1. The Supplier warrants that the Goods supplied by it do not infringe the rights of any third party in the countries of the European Union and any other agreed destinations. The Supplier is obliged to indemnify B&B against all claims made by third parties against B&B as a result of such infringements of industrial property rights and to reimburse all costs incurred in connection with such claims. This shall not apply if the Supplier can prove that it is not responsible for the infringement of the property rights or, by exercising reasonable care at the time of delivery, could not have determined that said rights had been infringed.
2. This shall be without prejudice to any further legal claims on the part of B&B due to defects in title of the delivered goods.

XI. Prices, invoicing and payments, fines for cartel infringements

1. The price stated on the order is binding. Subsequent price increases are excluded. The unit price is shown net on the order. The statutory rate of VAT is not included in the total price.
2. A separate invoice must be issued for each order, stating the order number and part num-

bers. Invoices that do not comply with this formal requirement will not be considered due and must be corrected by the Supplier.

3. Payments shall be made by B&B as follows, unless otherwise agreed: Either within 14 days with a 3% cash discount or within 60 days without discount, in each case after proper delivery and not before receipt of invoice.
4. B&B is entitled to offsetting and retention rights to the extent permitted by law.
5. The Supplier undertakes to offer only prices and conditions that are not subject to any cartel. Notwithstanding the foregoing, the Supplier agrees to comply with all applicable cartel laws. The Supplier undertakes to pay B&B liquidated damages amounting to 15% of the order value of the products delivered to B&B in the period in question, if the Supplier has agreed with a third party on sales prices or other conditions for the products delivered to B&B, or has made arrangements with the third party in this respect, or has agreed on the allocation of territories and customers in this respect. The claim for damages shall not apply if the Supplier's conduct is permissible under the German Act Against Restraints of Competition (GWB) or European Union law (Treaty on the Functioning of the European Union - TFEU) or if the Supplier is not responsible for the infringement.

XII. Regulatory requirements

1. The Supplier represents and warrants that neither it nor any natural person or legal entity that legally or de facto controls it is, at the time of entering into the Contract, subject to any economic sanctions imposed by the EU or the Federal Republic of Germany. This also applies to economic sanctions under US law if and to the extent that they are compatible with the anti-boycott regulations applicable of the European Union and the Federal Republic of Germany.
2. The Supplier shall comply with all legal requirements applicable to it in connection with the delivery. The Supplier is also obliged to indemnify B&B against all claims by third parties arising from a breach of such regulations, un-

less the Supplier can prove that it is not responsible for the breach. In addition, the Supplier must, at the request of B&B, obtain and make available all the necessary information and documents to ensure that B&B can comply with all the legal requirements in connection with the delivery. The regulatory requirements include, but are not limited to, the following: Product liability law, environmental law, the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), Section 1502 of the Dodd-Frank Act (US conflict minerals law), hazardous food regulations, the European Chemicals Directive (REACH), the Regulation 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment, data protection law and regulations on the protection of trade secrets.

XIII. Compliance and social responsibility

1. The Supplier warrants that it has no direct or indirect business or other links with terrorists, terrorist organisations or other criminal or anti-constitutional organisations.
2. The Supplier undertakes to acknowledge and comply with B&B's "Company rules for outside companies" when executing a delivery or performance on B&B premises. In the case of a delivery or performance commissioned to be executed at B&B's customers, the health and safety regulations of B&B and of B&B's customer must be complied with.
3. The Supplier undertakes to comply with applicable minimum wage legislation.
4. The Supplier shall require its subcontractors in writing to comply with the applicable health and safety and statutory minimum wage regulations. The Supplier is required to provide B&B or an authorised third party with appropriate proof of the foregoing if requested to do so. In addition, the Supplier shall indemnify B&B against all claims arising from the Supplier's or its subcontractor's failure to comply with the statutory minimum wage provisions, without prejudice to Sec. 774 German Civil Code (BGB).
5. The Parties undertake to take all necessary measures to prevent corruption, in particular to

ensure that no bribes or other advantages are offered or accepted. A breach of this integrity clause may result in B&B terminating the contract prematurely for good cause.

XIV. Miscellaneous

1. The following shall apply if the Supplier is located in the EU, the European Economic Area or Switzerland: The exclusive place of jurisdiction for all disputes arising out of and in connection with the contracts concluded under these GTCP is the registered office of B&B.
2. However, if the Supplier's registered office is outside the EU and the European Economic Area and Switzerland, the Arbitration Court of the German Institution of Arbitration (DIS) shall have exclusive jurisdiction over all disputes arising out of or in connection with the contracts concluded under these TGTCP and shall make a final decision to the exclusion of the ordinary courts. Place of arbitration is Münster, Germany. The language of the proceedings is German. In the taking of evidence, the arbitral tribunal shall be guided by the usual procedures of German state courts. Common law procedural principles, in particular the production of documents, do not apply directly or mutatis mutandis. By analogous application of Sec. 139 (1) sentences 1 and 2 of the German Code of Civil Procedure (ZPO), the arbitration tribunal is expressly empowered to discuss the factual and legal aspects of the dispute with the Parties and, if necessary, to ask questions. The purpose of this is to ensure that the Parties provide a timely and complete explanation of all relevant facts, in particular to supplement insufficient information on the facts asserted, to identify the evidence and to submit the relevant motions. The Parties also expressly authorise the arbitration tribunal to submit settlement proposals at any stage of the proceedings. To the extent that a Party is required to reimburse the other Party for legal costs incurred in connection with the arbitration, such costs shall be limited to those chargeable under the Act on the Remuneration of Lawyers (RVG).
3. The place of performance for payment is the registered office of B&B, for delivery, performance and fulfilment of warranty claims the respective prescribed destination.
4. Confidentiality must be maintained with respect to all business and operational processes, facilities and relationships, even after the business relationship has ended. If the Supplier breaches this obligation with regard to business or trade secrets, a contractual penalty shall be payable in favour of B&B, unless the Supplier is not responsible for this. B&B shall determine the amount at its reasonable discretion, taking into account all the circumstances of the individual case. The decision on the amount is subject to judicial review in full. The penalty shall be offset against any claims for damages.
5. The Supplier shall inform B&B immediately of any changes to the contact details.
6. The law of the Federal Republic of Germany shall apply to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG)