

General terms and conditions of purchase for companies of SAIER Group, as of: February 2020

1. Scope, written form

- a) These Purchase Conditions apply to all purchase contracts and mutatis mutandis to other contracts, in particular to service contracts and contracts for work and materials, unless otherwise specified in the prevailing purchase/delivery contract.
- b) These Purchase Conditions apply as framework agreement as amended from time to time, also for future contracts with the same seller, without any need of express reference thereto in each individual case. They shall only apply to suppliers and business partners **of the companies of the SAIER Group (in short: SAIER)** being entrepreneurs in the meaning of § 14 of the German Civil Code (BGB). With his order confirmation, supplier confirms that he has received the present Purchase Conditions for his information and that he accepts them as integral part of the accepted contract offer.
- c) The present Purchase conditions apply exclusively; any deviating, conflicting or complementary General Terms and Conditions of the supplier are included as a part of the contract only if SAIER has consented explicitly and by writing. This also applies for deliveries accepted by SAIER without any reservation but in full knowledge of the supplier's General Terms and conditions.
- d) All agreements amending these Purchase Conditions must be made in writing. This shall also apply to a modification of this written-form requirement. Sending agreed modifications by fax or e-mail satisfies this written-form requirement.

2. Conclusion of contract

- a) Our purchase orders shall be considered binding at the earliest when being made in writing or being confirmed. Seller shall draw our attention to obvious errors (typos or calculation errors) or incomplete data in our purchase order, including order documents, so that we can correct or complete them before acceptance, otherwise, the contract is considered not concluded.
- b) The seller shall confirm our purchase order within 1 week in writing or execute it without reservation, in particular by sending the goods (acceptance). Any late acceptance shall be considered a new offer, regardless of acceptance by SAIER.

3. Excess / short delivery, early delivery

- a) SAIER is not bound to accept excess deliveries. If the excess delivery is divisible, SAIER must accept the agreed quantity. If the delivery is not divisible, SAIER can reject the delivery without thus causing a delay in reception.
- b) SAIER is entitled to send back - at supplier's risk and expense - any delivery that is made before the agreed delivery date or to charge storage costs, if applicable, provided the goods cannot be used immediately.

4. Price / delivery term, payment / invoice, offset

- a) The prices stated in the purchase order are meant to be in Euro and decisive in terms of value. The following is agreed as delivery term: DDP based on the actually valid Incoterms.
- b) Payment conditions for net invoices are: payment within 30 days after date of invoice. If the invoice is paid within 14 days from date of invoice, SAIER will be granted a 3 % discount. To meet the 14 days deadline, it is sufficient to authorize the payment 2 calendar days before the deadline expires. The precondition for a payment instruction is the existence of an invoice according to the formal requirements of §§ 14 ff. of the Value Added Tax Act, indicating the SAIER order number, and the effected receipt of the goods.
- c) SAIER is entitled to offset rights and rights of retention resulting from similar purchases or service contracts and contracts for work and materials with this supplier/business partner as well as objection of non-fulfilled contracts to the full extent.

5. Delivery date, imminent delay, default

- a) The delivery date stated in the purchase order is fixed and binding during SAIER's usual business hours. Supplier will be informed about the usual business hours in each written purchase order. If a calendar week is stated as delivery date, Friday of this calendar week shall be deemed the agreed date of delivery.
- b) The supplier undertakes to inform SAIER immediately in writing if circumstances arise or become obvious to him, which make clear that the agreed delivery date cannot be met or that the delivery owed will even be impossible.
- c) In case of delay in delivery, incorrect or poor delivery, SAIER shall explicitly have the legal rights to the full extent. In case of violating essential parts of the contract or the main duties arising out of the contract, SAIER may rescind the contract after two unsuccessful rectification attempts.
- d) If the seller is in default, SAIER may request lump-sum compensation of his damage caused by delay - in addition to further legal rights - in the amount of 0.2 % per working day of the net contract price for each complete calendar week, however, not more than 5 % of the net contract price of the goods delivered with delay. Any party is entitled to prove higher or lower damage caused by delay.

6. Warranty, guarantee

- a) The supplier shall assume liability for a delivery free of defects, i.e. for the agreed quality of his delivered product or rendered service, and that his delivered product, service or performance is suitable for the intended use. The same applies to any warranty given by the supplier, which exceeds the above-mentioned liability.
- b) In case of a defect, the supplier undertakes in particular to bear all expenses necessary to eliminate the faults or to replace the delivery. In case of default or unlawful acts by the supplier, SAIER explicitly reserves the right to unlimited indemnification in any case.
- c) Warranty period is 24 months starting from goods receipt at SAIER, independently of a use in 3-shift operation. The expiration of this period is decelerated as long as the object of the contract cannot be used due to a defect.
- d) According to the law, the seller is especially liable that the goods have the agreed quality when the risk is transferred to SAIER. Product descriptions that - in particular by naming or referencing in our invitation to tender/purchase order - become integral part of the contracts or are included in the purchase contracts in the same way as these Purchase Conditions are considered agreement with regard to quality. It is irrelevant whether this product description was prepared by SAIER, the seller or the manufacturer.

7. Product liability, recall

- a) If a product delivered by the supplier to SAIER causes a damage, the supplier undertakes to exempt SAIER from claims for damages from third parties on first request to such an extent as the cause is within its control and organisational area and he himself is liable vis-à-vis third parties. Furthermore, all damages arising to SAIER shall be replaced.
- b) The supplier warrants to replace all expenses arising out of or in relation to a recall carried out by SAIER with regard to a product delivered by him to SAIER. SAIER shall - as far as is possible and reasonable - inform the supplier about the contents and scope of the recall measures to be executed and give the supplier the opportunity to make a statement.
- c) The supplier undertakes to maintain a product liability insurance policy with sufficient coverage, at least, however, €10 million per personal injury/damage to property. The extent of the claims for damages shall not be limited by the coverage.

8. Property rights of third parties, exemption

If claims are lodged against SAIER by a third party in connection with a protective right violation, the supplier undertakes to grant SAIER indemnity from these claims on the first written request. The right to exemption includes all costs, claims, etc. of this third party until the complete usage/wear of the already delivered products. The supplier's duty to grant SAIER indemnity shall apply to all costs which SAIER incurs from or in connection with the demands from a third party.

9. Recourse of the supplier

- a) SAIER is entitled to legally prescribed recourse claims in a supply chain acc. to articles 445a, 445b and 478 of the German Civil Code (BGB) to unlimited extent in addition to claims for defects. In particular, SAIER is entitled to claim this type of supplementary performance from the supplier that SAIER owes to his customers in each individual case. The legal right of choice acc. to § 439 I BGB shall not be limited hereby.
- b) Before SAIER accepts or satisfies a claim for defects asserted by his customers, SAIER shall inform the seller about any fact about which the complaint is made and request his written statement. If this statement is not made within an adequate period of time and no amicable solution is reached, the claim for defects actually granted by SAIER is considered as owed by SAIER to the customer; in this case, any evidence to the contrary is incumbent upon the seller.
- c) The claims of SAIER arising out of the recourse of the supplier shall also apply if the goods were further processed by SAIER, e.g. by incorporating them in another product, before having sold them to a consumer or customer.

10. Reservation of title, supply, tools, secrecy

- a) If Saier provides any equipment to the supplier this is done only with reservation of proprietary rights.
- b) If the object supplied by SAIER is mixed or combined inextricably with other objects not belonging to SAIER, SAIER shall acquire co-ownership in the new object in the ratio of the value of our reserved property to the other objects mixed at the time of mixing. If the mixing occurs in such a way that the object of the supplier is to be considered as the main object, it is herewith deemed agreed that the supplier shall proportionately transfer co-ownership to SAIER; the supplier shall keep in safe custody the sole ownership or co-ownership for SAIER.
- c) All supplied tools and fixtures remain the sole property of SAIER and are subject to strict confidentiality as being know-how of SAIER. The supplier shall mark them with "*third-party property*". The supplier undertakes to use the tools and fixtures only for manufacturing the products ordered by SAIER. The supplier undertakes to insure the tools belonging to SAIER against fire and water damage and theft at its own cost at their new value. He undertakes to execute any necessary service and inspection work in good time at its own costs. He shall inform SAIER immediately in case of malfunctions; if he fails to do so, he shall be liable for all damages resulting thereof.
- d) The supplier accepts that all documents of any kind given to him for the manufacture/finishing of products have only given to him for this purpose. He shall hand them back after the supply relationship ends and destroy any copy of any kind irreversibly. During the contract term, data may only be disclosed to those employees of the supplier and his sub-suppliers who absolutely need them for processing this order. The supplier shall be liable for any damages arising to SAIER out of such a disclosure.

11. Code of conduct

The supplier has accepted the code of conduct of the General Association of the Plastics Processing Industry (GKV) on antitrust regulations, global guidelines and ethical and social principles. If the supplier has his own consensual code of conduct, both contractual partners accept their codes as equivalent. Therefore they refrain from the partner's contractual submission to their own code of conduct.

12. Place of Jurisdiction, fulfilment, choice of law

- a) If the seller is a merchant in the meaning of the German Commercial Code, legal entity of public law or special fund under public law, the place of business of the company of SAIER Group shall be the exclusive - even international - legal venue for all disputes arising out of the contractual relationship.
- b) Place of fulfillment is the place of handing over the product or rendering the service owed.
- c) Solely the law of the Federal Republic of Germany shall apply to the contractual relationship and to all legal relations originating herefrom. Any regulation of the UN Convention on Contracts for the International Sale of Goods and conflict-of-law rules are irrelevant.
- d) Preconditions and effects of reservation of property are subject to the law valid at the place of storage of the goods insofar as the choice of law in benefit of the German law is inadmissible or ineffective according to that.

13. Limitation period

- a) Mutual claims of the contractual parties become time-barred acc. to legal stipulations unless otherwise agreed in the following.
- b) Notwithstanding § 438 I No. 3 of the German Civil Code (BGB), the limitation period for claims for defects is three years from transfer of risk. Insofar as acceptance has been agreed, the limitation period starts after successful acceptance, alternatively 30 calendar days after the scheduled acceptance date, provided the seller is not responsible for the unsuccessful or missing acceptance. The three-year limitation period applies accordingly to claims resulting from defects of title whereby the legal limitation period for material surrender claims of third parties remains unaffected; any claims resulting from defects of title shall not become time-barred in any case, as long as third parties can still assert their rights against SAIER - in particular in the absence of limitation.
- c) Limitation periods of the UN Convention on Contracts for the International Sale of Goods, including the above-mentioned limitation, shall apply to the legally valid extent for all contractual claims of defects. Insofar SAIER is also entitled to non-contractual claims, the regular legal limitation period shall also apply, unless use of limitation periods according to the UN Convention on Contracts for the International Sale of Goods would result in longer limitation periods in individual cases.

14. General Data Protection Regulation

For the processing of orders, it is necessary in accordance with Article 6 (1) (b) of the General Data Protection Regulation (GDPR), to process the data of the supplier in consideration of the GDPRs. Further information about GDPR and your rights, you will find at www.saiier-group.de/en/footer-aeb-agb-etc/privacy-protection/.

15. Severability clause

If individual provisions of these Purchase Conditions are ineffective or become so, this shall not affect the effectiveness of the remainder of the Purchase Conditions even if main provisions are affected. The same shall apply if any loopholes become evident. Loopholes of any type shall be closed by the seller and SAIER in the form of a subsequent regulation which comes closest to the economic purpose of the delivery contract - also taking into account possibly invalid provisions.

- SAIER Holding GmbH, D-72275 Alpirsbach
- SAIER Management GmbH, D-72275 Alpirsbach
- SAIER Verpackungstechnik GmbH & Co. KG, D-72275 Alpirsbach
- GFV Verschluss technik GmbH & Co. KG, D-72275 Alpirsbach
- E+E Verpackungstechnik GmbH & Co. KG, D-71131 Jettingen