

General Purchase Conditions

of the company

Winning Plastics - Diepersdorf GmbH – Industriestraße 22 – 91227 Leinburg/Diepersdorf

1. General

For purchase orders and sales requests on the part of Winning Plastics - Diepersdorf GmbH the following purchase conditions and our quality assurance agreements shall apply exclusively. Legal provisions and safety regulations shall remain unaffected hereby.

Contradictory or supplementary conditions of the other contracting partner shall not become contents of the agreement, not even if we do not expressly contradict these. Deviations from our conditions shall in any case require our express approval. If the integration of such purchase conditions is contradicted expressly or by corresponding provisions in the contracting partner's General Terms and Conditions, we shall have the right to withdraw from the contract. If we fail to declare the withdrawal, such shall not mean that we accept any conditions by third parties.

2. Purchase Order

2.1 Only written and signed purchase orders shall be binding for us. Verbally made or telephone purchase orders and notices shall therefore require our written confirmation in order to become legally effective. The written form requirement is also preserved by sending a fax or an e-mail.

2.2 War, civil war, export limitations and/or trade restrictions due to a change in the political situation as well as strikes, lockouts, malfunctions in the course of operations, business constraints or similar incidents, which make the fulfilment of the contract impossible or unacceptable, shall be deemed force majeure and shall exempt us from the obligation of timely acceptance for their duration. The contracting partners are obliged to notify each other of such obstacles and adapt their obligations to the changed circumstances in good faith. Claims for lost profits made by the contracting partner shall be excluded in such events.

3. Prices and Price Changes

Insofar as not agreed upon otherwise, the prices stated in our purchase orders shall be considered fixed prices, and are exclusive of valued added tax. Price increases must be expressly accepted by us in writing. Should a price reduction result from a modified manufacturing process or from a changed market situation, such information must be forwarded to us automatically. Should our purchase orders not contain any prices, but are notified by the contracting partner retroactively, any agreement about this shall require our written confirmation in order to be concluded. We shall have the right to conduct an inspection of the prices by means of value engineering at any time, and to adjust the conditions by mutual agreement correspondingly.

4. Order Confirmation

4.1 Each purchase order and/or sales request is to be confirmed by the contracting partner by indicating our order number, item number and/or material number as well as item designation. By doing so, our purchase conditions shall be deemed accepted, even though such is not expressed explicitly.

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Inspection by: Head MM		
Approved by: Executive Board		
Issued: QMB/UMB		

- 4.2 We shall be bound to the order for the period of four (4) days of the receipt of the purchase order at the contracting partner's. Afterwards, the related quotation shall lapse without the need for any further special declarations on our part. Regarding any deviations stated in the order confirmation, our silence shall never be expressly considered as consent.
- 4.3 The contract shall be concluded between us and the contracting partner upon the timely and unreserved written confirmation of the order and/or the sales request.

5. Delivery Time, Delivery Delay, Delivery Default and Impossibility

- 5.1 The delivery periods stated and delivery dates shall be binding and apply upon arrival at the designated shipping address. Deliveries, which arrive ahead of schedule, may, at our discretion, be rejected or be stored in at the expenses of the contracting partner; the due date for the payment of the purchase price shall remain unaffected hereby, but shall instead be governed by the contractually agreed-upon regulations of maturity and by the stipulated delivery date.
- 5.2 Underdelivery and/or overdelivery may only be accepted following previous consent by our Materials Management department. In the event discrepancies regarding quantities, weights and dimensions or other fixed characteristics, the values determined by our Goods Receipt department shall be relevant.
- 5.3 In the event of a delivery not made in good time (delivery delay), we shall have the right, following fruitless expiration of an adequate period and/or its dispensability, to withdraw from the contract. In addition, in the event of delivery default, we may demand replacement for the damage caused by the default as well as claim damages in lieu of the performance, insofar as the contracting partner is responsible for the breach of duty.
- 5.4 In the event of general malfunctions in the course of operations and transport disruptions, unforeseeable lack of labor forces, power losses, raw material and auxiliary material shortages, losses due to strikes and performance failures in the operations of the contracting partner or his suppliers as well as other delivery delays not caused by force majeure, we shall have the right, following fruitless expiration of an adequate period and/or its dispensability, to withdraw from the contract. As soon as the contracting partner is informed about such circumstances which may have a delivery delay as a result, including force majeure, he is to notify us about it in writing. Such shall also apply in the case of impossibility.
- 5.5 The contracting partner shall bear the risk of procurement of the materials or additions required for the creation of the purchase order as well the procurement of all other services.
- 5.6 In the event of non-performance or only partial performance of the contractual obligations by the contracting partner, we shall reserve the right to claim damages incurred by us due to non-performance or partial performance.
- 5.7. European legal regulations, in particular the REACH Regulation may lead to a situation in which chemical products, which are technically required for the production of products, may require a special permit for the usage in the production process at short notice. For delays in the order processing, which arise from this, liability, with the exception of cases in which we fail intentionally or grossly negligent to timely apply according to the requirements of the regulations or other provisions, shall be excluded.

6. Shipping

- 6.1 Unless otherwise agreed upon, the delivery shall be made free shipping address including packaging. Immediately upon dispatch of the goods, we must be notified by means of a written dispatch note including order number, material number, item number as well as the order date, specifying the exact number of pieces, weights, etc. Bills of lading, postal stubs, delivery notes or the packing slips added to the deliveries must also contain the above-mentioned information.

- 6.2 In general, all goods shall be shipped at the risk of the contracting partner. The risk of accidental loss shall only be transferred to us upon receipt and acceptance of the goods at the shipping address provided in the contract.
- 6.3 In general, deliveries must be conducted via the goods receipt department. The opening hours of the goods receipt department are Monday through Friday, 7 am to 5 pm, unless another arrangement has been made.
- 6.4 Incoterms as amended shall apply to all commercial categories.

7. Invoice, Payment and Acquisition of Property

- 7.1 The invoice must be sent in duplicate to the address specified in the letterhead of the order. The invoice must not be added to the delivery. The invoice must include any and all information, e.g. order number, item designation, material and/or item number, delivery note number and date, unloading point, quantity, trading unit numbers, boxes, pallets or barrels as well as gross and net weight. All invoices must clearly state the tax number. Deliveries which do not include such an exact labeling, shall not trigger any payment and cash discount periods until full clarification has been undertaken. VAT is to be indicated separately on the invoices.
- 7.2 We shall pay any invoices strictly net (given that delivery and proper performance are provided), unless another arrangement has been made, to the 25th day of the month following the delivery. The day of the receipt of the invoice shall be deemed the day of the proper delivery at the earliest; the payment shall be made subject to the final invoice checking (including the required incoming goods inspection).
- 7.3 Payments are to be offset against the contracting partner's claims against us the way we state it at the time of the payment. In general, we shall only make advance payments in return for a joint and several bank guarantee of the same size. Advance payments shall be made subject to the proper goods receipt. We shall have the right to offset and to assert retention rights against claims on the part of the contracting partner, irrespective of whether the corresponding claim has its legal basis in the same or any other contractual relationship with the contracting partner. Complaints about the deliveries shall give us the right to withhold due payments.
- 7.4 Upon payment, the goods shall become our property. Any further rights of retention of title of the contracting partner shall be ineffective against us.

8. Warranty/Limitation of the Obligation to Report

- 8.1 The contracting partner shall assume the guarantee that the delivered objects correspond with the contractual agreements, thus, in particular that they are not different from the presented samples, drawings, specifications, etc. The contracting partner shall commit himself to undergo a thorough outgoing inspection prior to the delivery of the ordered goods to us. In the event of deviations and/or the delivery is defective, we shall be, without prejudice to all possible warranty claims, entitled to demand that the defect is corrected or to demand the delivery of a defect-free good. In urgent cases we shall be entitled, after prior notification of the contracting partner, insofar as remedial action in good time on his part is no longer possible, to remedy the faults at his own expenses or assign a third party to remedy these without prejudice to our further claims.
- 8.2 Should there exist a quality assurance agreement, the validity of sec. 377 HGB (German Commercial Code) is waived. The compliance with the goods quality standards shall only be monitored within the framework of further processing and/or further usage. Defects may be complained about at any time after a possible later detection, and claims resulting from the detection may be asserted.
- 8.3 Should there be no quality assurance agreement available, the contracting partner shall waive the claim of late notification of defects acc. to sec. 377 para. I HGB for a period of fourteen (14) days of the detection of the defect, insofar as it does not deal with obvious defects. Sec. 377 para. III HGB shall remain unaffected by it.

- 8.4 Our claim to subsequent performance, damages, reimbursement of expenses or reduction due to a defect shall lapse within two (2) years of the delivery of the goods. Unless not otherwise regulated, the limitation of further claims shall be governed by the corresponding legal provisions.
- 8.5 Should an overall monitoring scheme, exceeding the common range of incoming inspection, become necessary for the detection of the defects, the contracting partner shall bear the related costs. The contracting partner shall only be allowed to carry out design-related, material type-related modifications or modifications related to process engineering with our express and written consent.
- 8.6 The contracting partner shall guarantee that the delivered objects are free of rights of third parties and that manufacturing or distribution by us neither breach the copyright nor the industrial property rights or industrial labeling requirements of third parties nor the competition law. The contracting partner shall indemnify us from any and all claims made by third parties in these matters. The contracting partner shall commit himself to indemnify us from direct or indirect, domestic or international claims for damages by third parties due to material or non-material damages, including consequential damages, which are asserted against us due to a defect of the delivered object, insofar as the contracting partner has to assume liability for such defect according to the legal regulations applicable to the case of damage. Should our contribution to the damage be only related to the negligence of the monitoring duties, thus, the contracting partner shall assume the liability for the damage, for which he is answerable, to the full amount.

9. Deliveries of Materials, Tools and Molds, Wage Labor, etc.

- 9.1 Records, specifications, gauges, samples, molds and tools entrusted by us shall remain our property. Should the above-mentioned be manufactured and procured by the contracting partner for our order, they shall pass into our property at the moment of payment of the specific agreed-upon price and the transfer to us. Insofar as no handover takes place because an application at the contracting partner's for the purpose of production of the goods ordered by us does not take place, a bailment in the shape of a free-of-charge loan contract for use shall enter into force without further explanations on the part of the parties. Upon termination of the production as well as in the case of early termination of the manufacturing contract, we shall be entitled to claim for surrender at any time.
Copyright or industrial property rights in these objects, industrial labeling requirements or other rights of use shall be exclusively attributed to us. The contracting partner shall expressly commit himself not to entrust these objects to third parties, neither for inspection nor for application, nor to deliver manufactured or processed goods to third parties without our written consent.
- 9.1 These objects must be, as long as they are in the contracting partner's custody, insured free of charge for us against theft and fire hazard, and must be carefully stored in order to make them usable at any time. These objects must be entrusted to us without further request, as soon as they are no longer required for the implementation of the order; furthermore, we shall have the right to demand their free-off-charge return at any time. Retention rights against this are excluded.
- 9.2 Raw and auxiliary materials, semi-finished and finished products provided by us for the purpose of product enhancement shall remain our property. Insofar as these objects are processed, we shall become owners of the produced good. Any resale of these objects to third parties is prohibited. Such shall also apply, if we have sold the raw materials to the contracting partner prior to the processing, since the manufacturing of the finished products is carried out solely for us.
- 9.3 We must be notified about access to our property by third parties without delay. Upon request, our property must be returned to us at any time; retention rights against this are excluded.

10. Confidentiality

The contracting partner shall undertake to treat all non-obvious commercial and technical details, which are known to him through the business relations as business secrets. The contracting partner shall be obliged to indemnify us for all damages incurred by us due to any breach of confidentiality. Subcontractors must be bound accordingly. The contracting partners may only advertise their business relationship with the prior written consent.

11. Information Security

The supplier shall be perfectly aware of the necessity of the overall protection of information and data. The supplier shall secure all information and data of Winning Plastics - Diepersdorf GmbH and its customers according to the state-of-the-art techniques against the unauthorized access, change, destruction or loss, unauthorized transmission, processing and other types of misuse. The protection shall be implemented by means of arrangements and measures which correspond to the state of the art as well as to the safety guidelines of the Winning Plastics - Diepersdorf GmbH (Document "IT safety guidelines of the Winning Plastics - Diepersdorf GmbH). In return, Winning Plastics - Diepersdorf GmbH expects the supplier to be certified according to ISO 27001 or to apply at least comparable standards and procedures regarding the information security. Corresponding substantiation to this effect is to be provided upon request (security concept, certification, etc.).

12. Place of Performance, Jurisdiction, Effectiveness

- 12.1 The place of performance shall be, if not expressly agreed-upon otherwise, D-91227 Leinburg/Diepersdorf, Germany For both the parties, the court competent for our registered office (Amtsgericht Hersbruck/Landgericht Nürnberg-Fürth) has been defined as place of jurisdiction.
- 12.2 The parties agree to the exclusive application of German law (in particular of the provisions stated in the BGB (German Civil Code) and the HGB). The application of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.

13. Code of Conduct (CoC) for Suppliers

The supplier shall commit himself to, in addition to the obligations resulting from the delivery contracts concluded with us or with companies affiliated with us, to comply with and to accept any and all principles and regulations of the binding rules of conduct for suppliers stated in the Code of Conduct (CoC). The binding rules of conduct for suppliers, Code of Conduct (CoC), are available at <https://www.winningplastics.com/de/>

14. Severability Clause

Should any provision of this agreement be invalid or unenforceable or become invalid or unenforceable, the validity of the remaining provisions of the contract shall remain unaffected. The invalid or unenforceable provision will be replaced by a valid and enforceable provision the effects of which come closest to the economic and legal goal. The above provisions shall apply mutatis mutandis in the event of any omissions in these terms of the contract.