

§ 1 General information

- Our goods, services and offers shall be provided solely on the basis of the following General Terms and Conditions. They apply to all contracts, deliveries, services and offers including consulting services, information, and similar. Deviations from these General Terms and Conditions shall only become effective if we confirm such in writing.
- Our offers shall be non-binding in regard to prices, quantities, delivery periods and delivery availability. All orders, even if they are accepted by representatives or employees, or incidental agreements relating to these General Terms and Conditions shall be confirmed by us in writing in order to become valid. This provision shall also apply to any change in the contents of an order that has already been confirmed.
- Any purchasing conditions of the customer shall hereby be expressly excluded. They shall not be accepted even if we do not expressly reject them at the time of receipt.

§ 2 Payment conditions

- In the absence of a special agreement, our prices shall apply ex works, including loading at the plant and packing, but excluding shipping costs, transport insurance and statutory VAT. In the case of consignments of unmixed full pallets with a shipping/loading weight of 3 or more tonnes, we shall pay the transport costs on the German mainland. The customer shall pay any additional costs for express consignments.
- In the case of export deliveries, the customer shall pay customs duties and other border taxes.
- Unless otherwise agreed, our invoices shall be paid 30 days after the invoice date without deductions. We shall grant a discount of 2% on payments made within 14 days after the invoice date or 3% for payment prior to delivery, unless older claims by our company have not yet been settled. If the payment period is exceeded, we shall be entitled to demand default interest amounting to 8% above the base interest rate from the due date.
- If the customer fails to pay due invoice amounts on time, we shall be entitled to exercise a right of retention from other contracts on account of our delivery obligations. The customer may prevent the exercise of the right of retention by providing corresponding securities.
- The customer shall not be entitled to retain payments due to any counterclaims or offsettings, unless this involves undisputed or legally binding claims.
- In spite of the customer's provisions to the contrary, we shall be entitled to initially offset payments against the former's older debts if we inform the customer about the nature of the offsetting made. If costs and interest have already been incurred, we shall be entitled to initially offset the payment against the costs then against the interest and finally against the contractual performance.

§ 3 Delivery and performance period, delays

- Delivery and performance periods shall only be binding in accordance with our written confirmation. An agreed period shall commence on the date of our order confirmation.
- The delivery period shall be deemed to have been observed if the delivery item has left the plant before the delivery period has expired or the customer has been informed that the goods are ready for dispatch. The customer shall inform us about the shipping method which the customer requires. If the customer fails to comply with this obligation, we shall be entitled, at our own discretion, to choose the means of transport. In this case we shall not be liable for the arrival of the goods on time.
- If we are in default, the customer may withdraw from the contract after a reasonable period of grace granted to us by the customer has expired. In the event of partial default, the customer shall be entitled to withdraw from the entire contract if the customer is not interested in partial fulfillment.
- Partial deliveries shall be permitted.
- Force majeure events shall entitle us - even within the framework of default - to delay delivery or performance by the duration of the hindrance and a reasonable start-up period. If delivery or performance is impossible or unreasonable due to the above-mentioned circumstances, we may withdraw from all or part of the contract. Compensation claims shall be excluded in these cases. Force majeure shall include strikes, lockouts, mobilisation, war, blockades, a ban on exports and imports, official decrees, shortages of raw materials and energy, fire, serious disruptions in business operations or transport, and other circumstances for which we are not responsible and which make it unreasonably difficult or impossible to effect delivery or performance, i.e. irrespective of whether they occur at our company, our suppliers or one of their subcontractors. The customer may ask us to state whether we want to withdraw from the contract or deliver the goods within a reasonable period of time. If we do not reply, the customer may withdraw from the contract.
- If some or all of our purchase sources are no longer available due to no fault of our own, we shall not be obliged to cover our requirements with other suppliers. In this case we shall be entitled to allocate available goods quantities after taking account of our own needs.

§ 4 Default in acceptance

- If the customer does not accept our goods on time, we shall be entitled after granting a period of grace of 14 days to demand acceptance, enforce a claim for compensation due to non-fulfilment or withdraw from the contract. In the second case we shall be entitled - irrespective of the option of enforcing a claim for higher actual damage - to demand 15% of the selling price or order value as compensation without having to furnish proof.
- If our performance becomes impossible during default in acceptance, the customer shall be obliged to render counter-performance.

§ 5 Default consequences

- If we are in default, the customer shall be entitled to demand default compensation amounting to 0.5% for every full week of default, but a maximum of up to 5% of the invoice value of the goods and services affected by default.
- Any further claims shall be excluded, unless default is based on at least gross negligence.

§ 6 Scope of supply

- The information shown in our brochures, promotional letters or demonstration products shall not represent any assured properties. This provision shall also apply to the documents enclosed with the offer (illustrations, drawings, weights and dimensions), unless they are expressly designated as binding.
- Minor deviations which are customary in the industry and relate to the product size, colour and design shall not represent any grounds for complaints by the customer.

§ 7 Liability

- We shall only be liable for damage and consequential damage due to unauthorised action, culpability at the time of conclusion of the contract, infringement of incidental contractual or statutory obligations, impossibility of performance or default if they were caused by the intentional or grossly negligent behaviour of our legal representatives or agents irrespective of the provisions of § 831 Sentence 2 of the German Civil Code (BGB). This liability exclusion shall not apply to any initial inability to fulfil the contract and to the infringement of material contractual obligations (cardinal obligations), or to liability for assured properties (including consequential damage against which the assurance is intended to protect).
- In all cases, however, liability shall be limited to compensation for damage which is typical of the contract.

§ 8 Reservation of title

- Until fulfilment of all claims from this transaction and other transactions which accrue to us against the customer for every legal reason now or in future, the following securities shall be provided to us. On request, we shall release these securities at our discretion if their value exceeds our claims by more than 20%:
 - The goods shall remain our property. The goods shall always be processed or converted for us as the manufacturer, but without obligation for us. Should our (co-)ownership lapse through the combining, mixing or processing, then it is agreed that the (co-)ownership of the resulting single item passes to us proportionately (invoice value). The customer shall safeguard (co-)ownership for us free of charge. Goods for which we are entitled to (co-) ownership are hereinafter referred to as goods subject to reservation.
- The customer shall be entitled to process and sell the reserved goods in the ordinary course of business as long as the customer is not in default. Pledgings or transfers by way of security shall not be permitted. All the claims arising from resale or another legal reason (unauthorised action and insurance) relating to the reserved goods (see § 9.1) shall now be assigned to us by the customer by way of security. The customer shall be revocably authorised to collect claims assigned to us for our account in customer's own name. This collection authority may be revoked if the customer duly fails to comply with customer's payment obligations towards us.
- In the case of pledgings, seizure or other dispositions by third parties, the customer shall make reference to our property and inform us immediately.
- In the event of a breach of contract by the customer - especially default of payment - we shall be entitled to take back the reserved goods or, if necessary, demand assignment of the customer's surrender claims against third parties. Unless the German Instalment Act applies, our taking back and pledging the reserved goods shall not constitute withdrawal from the contract.

§ 9 Export ban clause

- The customer shall not be permitted to export the goods purchased from us to the USA or Canada.
- The customer shall be liable for all damage which is caused by our products in the USA or Canada. In this case the customer shall release us from all claims by third parties for compensation.

§ 10 Passing of risk

Risk of accidental loss or accidental deterioration of the goods shall pass to the customer as soon as the consignment has been handed over to the customer or a freight carrier or another person appointed to deliver the consignment, but at the latest when the consignment leaves our company's premises, unless a different agreement has been reached. If the customer fails to accept or call off the goods on time or in the event of delays in dispatch for which we are not responsible, risk shall pass to the customer on the date when they are informed that the goods are ready for dispatch.

§ 11 Warranty

- If our goods are defective or lack their assured properties, we shall be obliged to supply replacement goods to the exclusion of other warranty claims.
- This warranty obligation shall be for 6 months and shall commence on the date of delivery of the goods.
- Obvious defects shall be notified to us immediately in writing, but at the latest within 7 days after receipt of the goods. Defects which cannot be ascertained within this period despite a careful inspection shall be notified to us in writing as soon as they have been discovered. The defective goods shall be kept ready for inspection by us in the condition they were in at the time of discovery of the defect. In the event of infringement of the above-mentioned obligations, no warranty claims may be enforced against our company.
- If the replacement delivery is also defective or cannot be supplied by us within a reasonable period of time, the customer shall be entitled to either reduce the purchase price or cancel the contract.
- We shall assist the customer to the best of our knowledge by providing information and advice on how to use our products. However, we shall only be liable in accordance with the provisions of § 7 if special remuneration was agreed for providing this information and advice.

§ 12 Pallet exchange

- Pallets shall be exchanged step-by-step between the consignee and the consignor. Euro pallets of the quality classes New and A as per the EPAL / GS1 Germany quality classification of 2015 shall be regarded as deliverable and refundable.
- In accordance with the EPAL / GS1 Germany quality classification of 2015, only pallets with the same or higher quality shall be exchanged.
The contracting parties hereby agree the following:
 - The consignor shall supply Class A pallets while the consignee shall reimburse Class A or higher quality pallets
 - The consignor shall supply Class B pallets while the consignee shall reimburse Class B or higher quality pallets
 - The consignor shall supply Class NEW pallets while the consignee shall reimburse Class NEW pallets
- If the quality standard during pallet exchange according to § 12 (2) is not observed by the consignee, the supplied pallet shall be deemed to have been purchased.
- If the consignor supplies lower-quality (Class B, Class C or defective) pallets, the consignee shall not be obliged to exchange them.
- In the event of non-exchange by the consignee and/or lower quality according to § 12 (3), the supplied pallets shall be deemed to have been purchased and shall be invoiced to the consignee.
- The monthly prices currently determined by Palettenreport.de shall be estimated.

In particular, the following shall apply in this respect:

- The place of residence of the pallet purchase price creditor shall be the decisive factor in regard to determination of the regional purchase price Germany north/south.
 - The fee framework (minimum/maximum prices) calculated in the Pallet Report under the heading "New" shall be deemed to have been agreed for new pallets.
 - The fee framework (minimum/maximum prices) calculated in the Pallet Report under the heading "Class A" shall be deemed to have been agreed for Class A pallets.
 - The fee framework (minimum/maximum prices) calculated in the Pallet Report under the heading "Class B" shall be deemed to have been agreed for Class B pallets.
 - The creditor shall choose the purchase price to be estimated from the respective fee framework.
- If the euro pallet is exchanged in the pooling procedure, the pallets supplied and to be exchanged by the pooling service provider must not fall below the quality standards in § 12 (3). The pooling service provider shall not be a party to the contract. In accordance with the instructions of the consignee, the pooling service provider shall act solely and exclusively as an agent and at his own risk. § 12 (3) shall apply if the quality standards are not met.
 - The purchase price creditor shall be entitled to invoice the purchase price debtor, each time on the 10th day of the following month, for the purchase price debts arising from non-exchange of pallets (§12 (5) and §12 (6)) and/or the quality shortfall when exchanging pallets (§12 (3); §12 (7)).
The purchase price creditor shall provide proof of the calculated number of non-exchanged and/or lower quality pallets in the form of a list and the purchase price amount per pallet according to § 12 (6).

§ 13 Applicable law, place of jurisdiction, partial invalidity

- German law shall apply to these General Terms and Conditions and all legal relations between our company and the customer.
- If the customer is a merchant within the meaning of the German Commercial Code, our head office shall be the sole place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship.
- If one of the clauses of these General Terms and Conditions is or becomes invalid, the validity of the other clauses shall not be affected.

As at: 23.12.2021