



Terms of delivery and payment – Klöckner Pentaplast of America, Inc.

GENERAL CONDITIONS

1. CONCLUSION OF A CONTRACT

- A.** Our terms of delivery and payment apply exclusively. We will not accept any buyer's purchase terms which contradict, supplement, expand, or otherwise differ from our terms of delivery and payment, except in cases where we have approved such terms in writing.
- B.** The buyer's order constitutes an offer and shall only be deemed accepted once we have sent an order confirmation in writing (including via electronic mail), at which point the contract incorporating these terms of delivery and payment is concluded.

2. TOOLS AND EQUIPMENT

All tools and equipment used in the design, manufacture or delivery of the goods remain our property, irrespective whether the buyer contributes to any design, manufacturing or delivery costs or has created or contributed to the design of any goods. All proprietary, industrial and intellectual property rights for our designs and models (including any tooling) belong exclusively to us.

3. PRICES, CONDITIONS OF PAYMENT

- A.** Unless agreed otherwise, our prices shall be calculated in UNITED STATES DOLLARS. The price shall include normal packaging, but exclude sales and value added taxes applicable on the day of delivery, which the buyer shall additionally be liable to pay at the prevailing rate, subject to the receipt of a valid tax invoice. Costs for special packaging must be agreed in advance. The costs of agreed and prescribed inspection shall be charged to the buyer. We reserve the right to change prices or discounts due to increases or decreases in costs, especially concerning the price of materials, which occur between the conclusion of the contract and delivery. We will substantiate such changes of costs on request by the buyer.
- B.** Unless the order confirmation states otherwise, payments shall be due net (without any deductions) within thirty (30) days from the date of invoice. Time for payment shall be of the essence. If the buyer fails to make a payment due to us by the due date then, without limiting our other remedies, we may defer other goods deliveries until buyer's account is made current, and the buyer shall pay interest on the overdue sum from the due date until payment, which shall accrue each day at the lesser of twenty-four percent (24%) per year or the highest interest rate allowed by applicable law.
- C.** If the buyer becomes subject to any of the events listed in clauses 15A(i) to (ix) below or if the buyer is late with any of its payments, or if in our sole discretion the buyer's financial status becomes unsatisfactory, we are entitled to: (i) accelerate payment of any outstanding sums; (ii) backstop direct debit authorisation according to clause 4C below; (iii) reduce or eliminate any credit limit then in place; and/or (iv) demand advance cash payment for any outstanding deliveries.
- D.** The buyer may avert the legal consequences named in clause 3C above by furnishing security interests (such as a letter of credit) in a form reasonably acceptable to us in our sole judgement.

4. RETENTION OF OWNERSHIP

- A.** Title to the goods supplied shall not pass to the buyer until we have received payment in full and in cleared funds for the goods in respect of which payment has become due.
- B.** Until title to the goods has passed to the buyer, the buyer shall: (i) hold such goods on a fiduciary basis as our bailee; (ii) store the goods separately from all other goods held by the buyer so that they remain readily identifiable as our property; (iii) not remove, deface or obscure any identifying mark or packaging on or relating to the goods; (iv) maintain the goods in satisfactory condition and keep them insured against all risks, deterioration and destruction for their full price from the date of delivery; and (v) notify us immediately if the buyer becomes subject to any of the events listed in clauses 15A(i) to (ix) below.
- C.** Subject to clause 4B below, the buyer may insure, use or resell the goods in the ordinary course of its business before we receive payment for the goods. Using the goods to meet obligations of contracts for work and labour and materials also constitutes a resale in the meaning of this section. If the buyer insures or resells the goods before we receive payment for the goods, any monies received by the buyer in respect of such goods shall be held on trust for us until such time as payment of the full amount of the invoice (and any corresponding interest in case of late payment) is received by us. The buyer is entitled to collect claims from the resale, unless we revoke the direct debit authorisation in the cases named in clause 3C above. In no way is the buyer entitled to assign the receivables; this also applies to all types of factoring business by virtue of our direct debit authority.
- D.** At any time before title to the goods passes to the buyer, we are entitled to: (i) by notice in writing, terminate the buyer's rights under clause 4C above, cancel the contract, take back the reserved goods and sell the reserved goods to another party; or (ii) require the buyer to deliver up all goods in its possession that have not been resold, or irrevocably incorporated into another product and if the buyer fails to do so promptly, enter any premises of the buyer or of any third party where the goods are stored in order to recover them.

EXECUTION OF THE DELIVERY

5. DELIVERY PERIOD I DELIVERY DEADLINE

- A.** Delivery of the goods will be at the location and on the terms specified in the order confirmation.
- B.** The agreed delivery period commences with the date of our order confirmation, however not until any technical specifications that need to be confirmed before we can fulfill the order have been confirmed by us in writing. The same applies to delivery deadlines. Any delivery deadlines are approximate only and the time of delivery is not of the essence.
- C.** If the buyer fails to meet its obligations under this contract by the relevant due date or as otherwise reasonably requested by us, we are entitled to postpone our delivery periods and deadlines accordingly - without prejudicing our rights in respect of default by the buyer - to accommodate the needs of our production processes.
- D.** If we are prevented from fulfilling our obligations by unforeseen events which after exercising due care are beyond our reasonable control and affect us or our suppliers, e.g., war, internal unrest, labour or trade disputes, strikes, lockouts, industrial action, natural disasters, epidemic or pandemic, accidents, other operational disturbances (including disruption to internet or energy supplies), any law or action of a government or public authority, or the delay in the delivery of essential material or raw materials, we shall not be liable for any failure or delay in performing any of our obligations under the contract and the time period in which we perform our obligations (including delivery) shall be automatically extended by the period of the hindrance as well as an appropriate start-up time. If the event continues for more than thirty (30) days, or it becomes impossible or unreasonable for us to make the delivery, we can immediately terminate the contract by serving written notice. For the avoidance of doubt, the buyer's payment obligations shall not be delayed or affected by the occurrence of such an unforeseen event.

6. DISPATCH AND PASSAGE OF RISK

- A.** In the absence of other instructions agreed in writing (including via electronic mail), we are entitled to determine the mode of despatch and the means of transportation as well as the forwarding agent or carrier.
- B.** If the buyer fails to take delivery of the goods due to reasons for which the buyer is responsible, we are entitled to store the goods at our discretion at the cost and risk of the buyer, to take measures we consider necessary to maintain the goods and to invoice the goods as delivered.
- C.** Accordingly, clause 6B above applies in cases where the parties have agreed an estimated delivery date for the goods ordered and the buyer does not collect these goods within four (4) working days of the date on which we notify the buyer in writing that the goods are available for collection ("request term"). After expiry of the request term, we are also entitled - at our discretion - to deliver the ordered goods to the buyer.
- D.** The risk in the goods shall pass to the buyer on completion of delivery. The buyer shall insure the goods against all risks from the date of delivery.

7. MASS, WEIGHTS, QUALITIES, ETC.

- A.** Deviations from mass, weights, qualities, deficiencies, number of pieces, length, etc. are valid according to normal practice. As far as legally admissible, no warranty is given in respect of colour fastness. The right to marginal levels of bleaching and fading are reserved.
- C.** We reserve the right to over or undersupply by up to ten percent (10%) for all goods. We may also deliver the goods by instalments and partial deliveries.

8. ADVICE ON APPLICATION

Unless expressly agreed otherwise, all technical advice offered by us relating to the application of the goods is without warranty. It does not release the buyer from the obligation to examine the goods supplied by us in respect of their suitability, including the suitability for the intended further processing and the intended application.

WARRANTY

9. WARRANTY AND LIMITATIONS OF WARRANTY

- A.** Subject to clauses 9 to 14 below, we warrant that the goods will, for a period of twelve (12) months (unless otherwise specified in our specifications) from the date of manufacture, comply in all material respects with our then-current specifications. Any non-conformity with this warranty is a "material defect" for the purposes of these terms. Unless specifications have been negotiated and executed by the parties, all references to specifications shall mean our specifications for the goods in effect at the time of manufacture.
- B.** We provide no warranty except where we have stated so expressly in writing and exclude to the fullest extent permissible by law any and all implied warranties, terms, conditions and representations.

TRANSIT DAMAGE AND MATERIAL DEFECTS

10. TRANSIT DAMAGE

- A.** In the case of damage to goods in transit for orders where the buyer is responsible for arranging transportation, the buyer must claim directly with the transportation company or carrier of the goods or on its own insurance. We are not liable for any damage to the goods caused by the buyer's transportation company or carrier.
- B.** In the case of material damage to goods in transit for orders where we are responsible for arranging transportation, the buyer must have thoroughly examined the goods (or procured that its appointed carrier has done so) and notified us of any material damage within three (3) days of delivery to the agreed location.

11. EXAMINATION OF MATERIAL DEFECTS

The buyer must thoroughly examine the goods (or procure that its appointed carrier does so) upon delivery to the agreed location. Any claim for material defects that would be noticeable upon thorough examination of the delivered goods must be notified to us within three (3) days of delivery to the agreed location.

12. LATENT MATERIAL DEFECTS

If the material defect would not be apparent upon thorough examination on delivery and would only become apparent upon use of the goods, the buyer must notify us: (i) within three (3) months of delivery to the agreed location; and (ii) within three (3) days of becoming aware of such material defect.

13. CLAIMS FOR MATERIAL DEFECTS

- A.** If the goods supplied have a material defect or have been materially damaged in transit for orders where we are responsible for arranging transportation, the buyer's sole remedy shall be that we will replace the materially defective goods at our sole discretion and provided the buyer has presented us with a notice of this material defect with sufficient detail and in accordance with clauses 10 to 12 above. Except as provided in this clause 13, we shall have no liability to the buyer for materially defective goods.

- B.** The quality of the delivered goods is determined exclusively and finally by the respective product specification. The details which are provided in the product specifications do not constitute any product warranties.
- C.** In the event that we remedy material defects, we are obliged to bear all necessary costs for such remedy, such as transport expenses, labour costs and costs for material, except for any increases of costs due to the fact that the goods are delivered to a place other than the previously agreed delivery location.
- D.** For material defects which reduce the value or fitness of the goods in an immaterial manner, our liability is excluded. We are also not liable for any material defects: (i) caused by fair wear and tear, wilful damage, negligence, or abnormal storage conditions; (ii) caused by the buyer failing to follow our oral or written instructions, parameters, or requirements included on the specifications, technical data sheets, or other guidelines for the handling, storage, use or maintenance of the goods or (if there are none) good trade practice; (iii) caused by us following any drawing, design or specification supplied by the buyer; (iv) caused by the buyer altering or repairing those goods without our written consent; (v) caused by changes made to the goods to ensure they comply with applicable statutory or regulatory requirements; (vi) where the buyer has not immediately discontinued its use of the goods after it has, or should have had, knowledge of the alleged material defect; (vii) where the buyer has failed to cooperate in our investigation of the claim for material defects, including, but not limited to, buyer's provision of goods samples or, at our option, buyer's facilitation of our inspection of the goods; and/or (viii) where the goods have been used for any purposes other than those for which they are designed.
- E.** If we fail to replace the materially defective goods, the buyer is entitled, subject to clauses 13A to 13D above and at our election, to either: (i) agree with us in writing a reasonable and proportionate adjustment to the purchase price to reflect the diminution in value of the materially defective goods that are retained by the buyer; or (ii) immediately terminate the contract by serving written notice on us and receive a refund in the form of credit to the buyer's account for the materially defective goods. All further claims are excluded.
- F.** The buyer shall immediately give us the opportunity to inspect the goods to assure ourselves that the material defect exists, in particular and at our request the buyer shall provide us with the rejected goods or samples of them.
- G.** If an inspection of goods or an initial sample testing has been agreed, the notification of material defects that the buyer could have determined on a thorough examination or initial sample testing shall be excluded.

LIMITATION OF LIABILITY

14. GENERAL LIMITATION OF LIABILITY

- A.** Subject to clause 14C below, we are not liable in contract, tort (including negligence or breach of statutory duty) or otherwise for:
- (i) any loss or damage incurred by the buyer as a result of third party claims;
 - (ii) loss of actual or anticipated profits;
 - (iii) loss of business opportunity;
 - (iv) loss of anticipated savings;
 - (v) loss of goodwill;
 - (vi) injury to reputation; and/or
 - (vii) any indirect, special or consequential loss or damage howsoever caused,
- in each case whether direct or indirect arising out of or in connection with any part of this contract.
- B.** Subject to clauses 14A and 14C, our entire liability arising out of or in connection with any part of this contract, whether in contract, tort (including negligence or breach of duty) or otherwise, is limited to: (i) in respect of our election to replace or refund the materially defective goods pursuant to clause 13 above, the price paid for the goods giving rise to the claim; and (ii) in respect of any other losses for which we are liable, twenty-five percent (25%) of the price paid for the goods giving rise to the claim.
- C.** Claims on account of death or personal injury caused by negligence or as a result of material defects which we have fraudulently concealed, or any other liability which cannot legally be limited, remain unaffected by this limitation of liability.
- D.** The limitations of liability according to this clause 14 also apply to the personal liability of our employees, contractors, staff, agents and vicarious agents.

MISCELLANEOUS TERMS

15. TERMINATION

- A.** In addition to the rights of termination set out elsewhere in this document, we shall have the right to terminate this contract with immediate effect by giving written notice if: (i) the buyer breaches any of the conditions in this contract and, if such breach is remediable (excluding a failure to pay any amount due under the contract) fails to remedy that breach within five (5) days of being notified in writing to do so; or (ii) a meeting is convened, a petition presented, an order made, an effective resolution passed, or notice given for the buyer's winding up or dissolution; or (iii) an application is made or resolved to be made by any meeting of the buyer's directors or members for an administration order in relation to it or any party gives or files notice of intention to appoint an administrator of it or such an administrator being appointed; or (iv) an insolvent administrator takes possession, or a receiver or manager or administrative receiver is appointed, of the whole or any part of the buyer's assets; or (v) the buyer ceases or suspends payment of any of its debts or is unable to pay its debts; or (vi) a proposal is made for a composition in satisfaction of the buyer's debts or a scheme or arrangement of its affairs including any voluntary arrangement; or (vii) the buyer suspends, threatens to suspend, ceases or threatens to cease to carry on all or a substantial part of its business; or (viii) the buyer's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the contract is in jeopardy; or (ix) there is a change of control of the buyer. For purposes of this contract, "change of control" shall mean the occurrence of any of the following events: (i) an acquisition of the buyer by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation), or (ii) a sale of all or substantially all of the assets or shares of the buyer (collectively, a "Merger"), so long as in either case the buyer's shareholders of record immediately prior to such Merger will, immediately after such Merger, hold less than fifty percent (50%) of the voting power of the surviving or acquiring entity.
- B.** Without affecting any other right or remedy available to us, we may also terminate the contract by providing at least ten (10) days' prior written notice to the buyer.
- C.** On termination of the contract, any indebtedness of the buyer to us shall become immediately due and payable and we are relieved of any further obligation to supply goods to the buyer pursuant to the contract.

16. ASSIGNMENT

We may at any time assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with all or any of our rights or obligations under the contract. The buyer may not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the contract without our prior written consent.

17. CONFIDENTIALITY

- A.** Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, assets, affairs, customers, clients or suppliers of the other party, except as permitted by clause 17B below.
- B.** Each party may disclose the other party's confidential information: (i) to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under the contract. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 17; and (ii) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- C.** Neither party shall use the other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with the contract.

18. ENTIRE AGREEMENT

The contract constitutes the entire agreement between us and the buyer. Each party acknowledges that in entering into the contract it does not rely on any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the contract. Oral promises made by us before concluding this contract are not legally binding and such oral promises of the contracting parties shall be replaced by the written contract.

19. VARIATION

No variation of the contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

20. WAIVER

A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.

21. SEVERANCE

If any provision or part-provision of the contract is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of the contract. If any provision of the contract is deemed deleted, the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

22. NOTICES

Any notices shall be in writing and will be deemed to be served: (i) if delivered by hand, at the time the notice is left at the proper address; (ii) if sent by pre-paid registered mail, three (3) days after having been sent; or (iii) if sent by email, at the time of transmission. This clause 22 does not apply to the service of any proceedings or other documents in any legal action or, arbitration or other method of dispute resolution.

23. THIRD PARTIES

A person who is not expressly named as a party to this contract shall have no rights to enforce any term of the contract as a third party beneficiary or otherwise.

24. APPLICABLE LAW AND PLACE OF JURISDICTION

The legal relationship between us and the buyer shall be governed by the laws of the State of Delaware and the parties hereby agree to submit to the exclusive jurisdiction of the state and federal courts for the State of Delaware. Neither party shall refuse acceptance of service of process under this section 24 or otherwise object to or contest the application of said governing law or the said exclusive jurisdiction.

Klöckner Pentaplast of America, Inc.
Date: May 2025