

## General terms and conditions for subcontracting

### I. General

1. Our terms and conditions are subject solely to the following terms and conditions as well as mandatory compliance with the con-pearl code of conduct. Conflicting conditions of the contractual partner are only binding for us if and insofar as we have expressly acknowledged them in writing.
2. Other agreements, collateral agreements and amendments require express written agreement. In the same way, all and any declarations to be made in the context of the execution of the sales contracts or in accordance with these terms and conditions must be made in writing. A waiver of this written form requirement or other agreed formal requirements is only possible in individual cases and only by express written agreement. A deviating actual practice shall also not lead to a waiver of the formal requirements.
3. These terms and conditions for subcontracting apply to all companies of the con-pearl Group, in particular con-pearl GmbH.
4. These terms and conditions for subcontracting shall also apply to future contracts even if not referred to in detail.
5. The pronouns "we", "us" and the declined forms such as "our" as well as adverbs such as "on our part" used in the following refer to the companies of the con-pearl Group.

### II Offer, order, property rights

1. Our offers are subject to change. Incoming orders, agreements, promises and ancillary agreements shall only become binding for us upon our written confirmation.
2. We process the goods provided to us by the customer in the regranulation process. The customer has to check independently in advance whether the processed products meet his requirements and needs. We prepare processing samples for these tests against separate order.
3. Insofar as we have received sample deliveries of the material to be treated in the quotation process and have carried out sample processing, this sample delivery shall represent the reference for the properties of the delivery material guaranteed by the customer. In the event of deviations, in particular with regard to contamination, proportion of foreign plastics or significant deviations in the process-related material properties, we reserve the right to adjust the invoicing or to reject the material.
4. The customer shall indemnify and hold us harmless for all claims arising from the execution of his order upon our request in those cases in which the execution of his wishes regarding certain te quality and other properties violates, in particular, copyrights, patent rights, trademark rights or design protection rights.

### III. prices

1. Unless expressly agreed otherwise, the prices stated in our price lists and offers as well as the additional conditions listed therein shall apply.
2. We reserve the right to adjust prices in accordance with changes in costs that have occurred (e.g. energy, wage, ancillary wage and disposal costs, cost of materials).

#### **IV. Payment**

1. Our invoices are due and payable immediately, unless another payment term has been expressly agreed.
2. Payments shall be made exclusively to us directly or to BFS finance GmbH in 33415 Verl, Germany, unless expressly instructed otherwise. The relevant bank details can be found in the note on the invoice.
3. In the case of mutual commercial transactions, we shall be entitled to charge interest on arrears from the due date in accordance with Sections 353, 352 II of the German Commercial Code.
4. If the payment deadline is exceeded, we are entitled to charge interest on arrears from this date in accordance with § 288 BGB or § 352 HGB. In addition, we shall be entitled to charge € 5.00 for each reminder. We reserve the right to claim higher reminder costs and further damage caused by default.
5. If the buyer has not made a payment on time or has suspended his payments or if facts exist which are to be regarded as equivalent to a suspension of payments, all our claims against the buyer shall become due immediately, irrespective of the originally agreed due dates and without any special notice being required. In addition, we may in this case withdraw in whole or in part from all contracts still in force with the Buyer at our discretion and in particular without setting a special deadline. Furthermore, we shall be entitled to demand the return of the goods already delivered and to claim damages even without our withdrawal from the contract.
6. If the buyer is in default with the acceptance of the goods or even a partial delivery or the payment, we are entitled to refuse the execution of the contract without prejudice to its legal validity until the elimination of these circumstances, unless the payment has been secured in another way convenient to us.
7. Offsetting against our claims is only permissible with claims which are not disputed by us or which have been legally established. The Buyer's rights to refuse performance and rights of retention shall be excluded unless they are asserted with regard to defects in our delivery for which we are responsible and which we have acknowledged or which have been established by declaratory judgment. In this case, the assertion of the rights to refuse performance and rights of retention shall only be admissible if we have received that part of the remuneration which corresponds to the value of our performance after deduction of the defective part.

#### **V. Delivery, material specifications, marking**

1. The delivery of the material to be processed may only take place after our express confirmation, at the place of delivery named by us, on the agreed date.
2. The delivery has to be free of freight charges for us.
3. The material shall be accompanied by delivery documents, which shall contain at least the following information: Designation of the material, dimension, size, shape, net weight, material quality, desired processing, desired test methods and other information necessary for success. If the required information is missing or incomplete and incorrect, we will carry out subcontracting to the best of our ability and to the extent specified by us in the order confirmation.
4. The material is to be marked by the customer as his property.
5. The goods provided shall be insured by us against theft, breakage, transport, fire and water damage as well as other insurable risks; the costs incurred in this respect shall be borne by the customer.

## VI Transfer of risk

1. Unless otherwise stated in the order confirmation, delivery "ex works" is agreed. This also applies to carriage paid delivery and similar transport clauses. If processed goods are returned for reasons for which we are not responsible, the purchaser shall bear all risk.
2. After notification of completion of the order processing, we store the processed material professionally until the agreed date of collection, but for a maximum of 10 working days. At the latest when the client is in default of acceptance, the risk is transferred to him. For each additional day of the creditor's delay, we charge storage costs of 3.00 EUR/m<sup>2</sup> storage area as compensation for additional expenses.
3. The Purchaser may not refuse to accept performance due to insignificant defects.

## VII Warranty for defects

1. Complaints due to defective or incomplete delivery of our goods must be made to us in writing by the purchaser immediately no later than 8 days after receipt of the goods. Later complaints are meaningless and cannot be taken into account by us, unless it can be proven that the defects are hidden. Such hidden defects must be reported to us immediately after their discovery, but no later than 45 days after receipt of the goods.
2. Any warranty is excluded if the customer had not provided perfect material or the treated materials are not used by the customer according to their quality conditions.
3. Upon our request, the customer shall immediately return samples or the rejected material to us.
4. The return of rejected goods shall only take place, without exception, after our prior written consent has been obtained from the purchaser, and free of charge.
5. Any notice of defect shall be evidenced by the submission of a sufficient number of supporting documents. We are entitled to carry out destruction tests. Our warranty obligation shall expire in the event of reworking of rejected contract work items not approved by us.
6. The buyer shall have the right to withdraw from the contract if we allow a second reasonable period of grace granted to us for the repair or replacement of a defect for which we are responsible to expire fruitlessly due to our fault. The same right of withdrawal shall also apply in case of impossibility or inability of repair or replacement delivery by us.
7. In all cases, the buyer is obliged to first take receipt of the rejected goods and to wait for our written declaration of readiness for rectification or replacement delivery.
8. The crediting of the goods taken back by us shall, subject to a prior agreement to the contrary, generally take place at the respective daily price.
9. If the complaints submitted prove to be unfounded, we shall be entitled to charge a processing fee of 5% of the net value of the goods, at least €50.00 per complaint, for processing the complaint.
10. Inappropriate or improper processing, storage or use of our goods by the buyer releases us from any liability for repair or replacement.

## IX. Disclaimer

1. We shall not be liable for the fact that the goods offered and sold by us comply with laws, regulations or directives which deviate from or go beyond the laws, regulations and directives applicable in the area of the European Union, unless we have been informed in advance by the buyer of the deviating or going beyond regulations and have expressly accepted them as binding.

2. Furthermore, we are not liable for the fact that the goods offered and sold by us may be freely distributed or used outside the European Union without additional authorization, unless we have expressly assured the buyer of this in writing beforehand.
3. We shall only be liable for ordinary negligence - except in the case of injury to life, limb or health - if material contractual obligations (cardinal obligations) have been breached. In this case, liability shall be limited to the foreseeable damage typical for the contract, however, up to a maximum amount of EUR 100,000.00.
4. We shall not be liable for compensation for indirect and unforeseeable damage, in particular loss of profit, irrespective of the legal grounds on which liability is derived (delay, impossibility, poor performance, tort, positive breach of contract, culpa in contrahendo).
5. Otherwise, our liability is limited to intent and gross negligence.
6. Any further liability is excluded - regardless of the legal nature of the asserted claim. However, the above limitations or exclusions of liability shall not apply to any strict liability prescribed by law (e.g. under the Product Liability Act) or liability under a strict warranty.
7. Insofar as liability is excluded or limited in accordance with the above, this shall also apply to the personal liability of our employees, representatives, bodies and vicarious agents.

## **X. Lien/ Security Ownership**

1. We shall be entitled to a statutory entrepreneur's lien on the items processed by us. Irrespective of this, the customer confirms to us a contractual lien on the materials handed over for the purpose of processing, which serves to secure our claim arising from the order. Unless otherwise agreed by the contracting parties, the contractual lien shall also apply to claims from orders and deliveries carried out earlier, insofar as they are in an internally connected or uniform life relationship with the subject matter of the order. If the parts treated are delivered to the purchaser before payment in full, it is already agreed with the purchaser that ownership of these parts is then transferred to us in the value of the contract work as security for our claims and that the transfer of possession is replaced by the purchaser keeping the parts in safe custody for us. The same shall apply with regard to the expectant right of the customer to the objects handed over to us for the purpose of processing which have been delivered to the customer by a third party under reservation of title. We shall be entitled to cause the reservation of title to lapse. The customer's claims for return of title against a third party to whom he has previously transferred the objects handed over to us for the purpose of processing as security are hereby assigned to us. We accept the assignment.
2. The customer may neither pledge nor assign items on which we have a lien or which are our property by way of security. However, he may resell or process the goods in the ordinary course of business, unless he has already effectively assigned the claim against his contractual partner to a third party in advance. Any processing of the goods assigned to us by way of security by the customer to form a new movable item shall be carried out on our behalf and with effect for us, without any liabilities arising therefrom.
3. We hereby grant the customer co-ownership of the new item in the ratio of the value of the new item less the value of the contract work to the value of the new item. The purchaser shall store the new item with due commercial care and in return for payment.
4. In the event that the Purchaser acquires sole or co-ownership of the new item by combining, mixing or blending the security goods with other movable items to form a uniform new item, the Purchaser hereby assigns to us this ownership right in the ratio of the value of the security goods to the value of the other item in order to secure the latter's claim, with the same undertaking to hold the new item in safe custody for us free of charge.

5. In the event of resale of the goods processed by us and assigned to us by way of security or of the new item produced from them, the Purchaser shall inform its customers of the Supplier's ownership by way of security.
6. In order to secure the fulfillment of our claim, the customer hereby assigns all claims, including those arising in the future, from the resale or further processing of the goods assigned to us, including ancillary rights, in the amount of the value of the goods. We accept the assignment.
7. The purchaser is authorized to collect the claims against third parties resulting from the resale or further processing in our favor. At our request, the customer shall provide evidence of the claim individually and disclose the assignment to third party purchasers with the request to pay us up to the amount of our claims. We shall be entitled to notify the subsequent purchaser of the assignment ourselves at any time and to collect the claim.
8. The customer is obligated to inform us immediately of enforcement measures by third parties in respect of the security rights.

### **XI. Place of performance and jurisdiction, applicable law**

1. Unless otherwise agreed in individual cases, the place of performance for our services shall be our registered office in Geismar, and for payments by the Buyer our registered office in Geismar or 33415 Verl.
2. The place of jurisdiction shall be the court having subject-matter jurisdiction for our registered office; however, the purchaser may also be sued at his registered office.
3. The law of the Federal Republic of Germany shall apply exclusively, unless otherwise agreed in individual cases. The application of the uniform purchase laws in the Hague Convention on Contracts for the International Sale of Goods or the UN Convention on Contracts for the International Sale of Goods is excluded.

### **XII Severability clause**

Should one or more provisions of these Terms and Conditions of Sale and Delivery be or become legally invalid, this shall not affect the validity of the remaining provisions. Rather, the invalid provision shall be replaced by a valid provision which corresponds as far as possible to the intended purpose of the invalid provisions. This shall apply accordingly in the event that a loophole is found.

37308 Geismar, March 1<sup>st</sup>, 2023