General Terms and Conditions of Sales and Delivery

Otto Männer GmbH (männer)

1. General, Scope

1.1 All current and future quotations, deliveries and other services provided by Otto Männer GmbH to Customers named in No. 1.2 are subject exclusively to these General Terms and Conditions of Sales and Delivery. Counter-confirmations of the Customer with reference to its own business and/or purchasing terms and conditions are expressly objected to. We do not recognize any of the Customers conditions contrary to, diverging from or not included in our General Terms and Conditions of Sales and Delivery.

1.2 Our General Terms and Conditions of Sales and Delivery are valid only in relation to Customers who, at the time of entering into the legal transaction, act in the exercise of their commercial or independent professional or vocational activity ("entrepreneurs") and in relation to legal entities under public law or special assets under public law. They are not valid in relation to individuals who conclude this agreement for a purpose which may be assigned neither to their commercial nor their independent vocational or professional activity ("consumers").

2. Contract Closure and Content, Offer Documents, Reservation of Changes

2.1 Our offers are made without commitment. The contract is effective on the date we deliver our written confirmation of order. Members of our field staff are not authorised to conclude contracts.

2.2 Our written confirmation of order is authoritative for the scope and volume of the delivery. Collateral agreements and/or amendments require our written confirmation to be effective.

2.3 We reserve all ownership rights, copyrights and industrial property rights (including the right to file these rights) in our models, patterns, samples, images, drawings, cost estimates, other documents and objects. Disclosure to third parties is only permitted in the evident absence of secrecy worthiness.

2.4 We reserve the right to amend construction, design and material details departing from the product description given in the catalogue, provided that the contractually envisaged use of the products is impaired only insubstantially or without detriment and if Customer may be reasonably expected to accept such amendment.

3. Delivery Period, Reservation of Self-Delivery, Customer's Lack of Capacity, Delay in Acceptance

3.1 Dates and times of delivery will be agreed in advance as the case may be. The delivery period begins in any case on the date of our confirmation of order, however not before any details of the desired design to be provided by Customer have been settled and cleared, and not before Customer has provided the required documents, patterns, models, data, drawings, permits, approvals, etc. Subject to the following Sentence 4, the delivery period is deemed to be observed if, prior to its expiry, the circumstances causing the passing of risk under No. 5.1 have arisen. In toolmaking, the delivery period is deemed to be observed if, prior to its expiry, the tool or mould is used to make the first off-tool parts. The observance of the period of delivery is contingent upon Customer properly and in good time complying with his duties and obligations.

3.2 The delivery period will be reasonably extended - also during a delay - in the event of force majeure and all unforeseeable hindrances occurring after the contract closure which are outside our control, provided such hindrances can be shown to affect the rendering of the work and services owed. This also applies if such circumstances occur among upstream suppliers. We will notify Customer as soon as possible of beginning and end of such hindrance. If such hindrance persists for longer than three months, or if it established that it will last longer than three months, either the Customer or we may withdraw from the contract.

3.3 Notwithstanding No. 3.2, the timely and correct self-delivery is always reserved.

3.4 If it becomes evident after contract closure that our claim for payment is jeopardised owing to Customer's lack of capacity, we are entitled to deny our work and services and our preparatory activities. The right to deny and refuse work and services does not apply if payment has been caused or if collateral has been provided for such payment. We are entitled to set Customer a reasonable period for paying / providing collateral. After the abortive end of said period, we are authorised to withdraw from the contract.

3.5 If Customer defaults in accepting the delivery item or in paying the purchase price, we may after fruitless expiry of an additional period required by law and set by us to withdraw from the contract and/or demand damages in lieu of performance. If damages are asserted in lieu of performance, we may without further evidence demand compensation in the amount of

a) 20% of the purchase price if the delivery item is a standard or serial product, or

b) 100% of the purchase price if the delivery item is a customised item made according to Customer's specifications and if we have incurred the expenses required for making the item ready for delivery.

The contracting parties are free to provide proof of higher or substantially lower actual damage and loss. Also unaffected remain the statutory rules for determining damages if we have already fulfilled our part of the contract. In the event of Customer's delay in acceptance, we are also entitled to charge additional expenses, in particular storage costs. If the items are stored in our own premises, only the locally customary storage costs will be charged.

4. Prices, Payment Conditions

4.1 In the absence of special agreements, all prices apply FCA at our premises in 79353 Bahlingen, Germany (Incoterms 2010) plus packaging, shipment and insurance and plus respective statutory value added tax.

4.2 For contracts with an agreed delivery period exceeding six weeks, either party may request a change to the agreed price to the extent that inevitable changes occur in price-forming factors after contract closure, e.g. cost reductions or increases after conclusion of a collective agreement or changes in the prices of materials. The change in price must be limited to the volume required for compensating the cost reduction or increase. An appropriate price adjustment right also accrues to a contracting party if the actual delivery period of more than six weeks occurs owing to a delay outside such party's control.

4.3 Unless agreed otherwise in particular cases, payment is to be made without any deduction to one of our accounts as follows:

- 30% immediately upon receipt of our confirmation of order,
- 60% immediately upon first off tool parts,
- 10% within 30 days after delivery

4.4 Bills of exchange and cheques will be accepted only on account of performance and are deemed to be payment only after unreserved credit note. All costs arising in this context, in particular bank, discounting, bill and other expenses and charges are to be paid by Customer and are due at once.

4.5 If Customer is in default of payment, statutory provisions apply (e.g. interest on arrears of nine percentage points per annum above the basic interest rate). Our rights arising from No. 3.5 remain unaffected.

4.6 An offset or netting off of counter claims or the right to withhold payment is only permitted with our approval or if the Customer has obtained a final judgment on legal claims or if the legal claims are recognized, uncontested or accepted by us.

5. Passing of Risk, Shipment, Packaging, Delivery

5.1 Unless provided otherwise in the confirmation of order, risk passes to Customer at the time the delivery item leaves our plant (FCA at our premises in 79353 Bahlingen, Germany according to Incoterms 2010). If shipment is delayed owing to circumstances outside our control, risk passes to Customer on the date notice of delivery readiness is given to Customer.

5.2 As far as we take over the transport of the delivery items, the costs shall be charged to the Customer separately. If no special arrangements have been agreed with respect to the type of shipment, we will select the type of shipment in our own discretion without warranting the safest, fastest and cheapest mode of shipment. At Customer's request and expense, the consignments will be insured against the usual risks.

5.3 To the extent we are obliged to take back the packaging, we accept the return of the packaging solely at our business domicile at normal business hours. The packaging which we are obliged to take back must be clean, free of any foreign material and sorted by different types of packaging. If not, Customer is under the obligation to compensate us for the extra work and costs we incur.

5.4 Partial deliveries and performances are permitted.

6. Customer's Duty of Inspection, Notice of Defects, Rights in the Event of Material Defects, Number of Shots, Cycle Times

6.1 In the event of a purchase or a contract concerning the making or the production of moving parts which constitutes a commercial transaction for both parties, Customer must give written notice of any defect – other than hidden defects – within eight working days (Saturday not being a working day) after delivery, otherwise the delivery items are deemed to be approved and accepted. Written notice of hidden defects must be given within eight working days (Saturday not being a working day) after their discovery, otherwise the delivery items are deemed to be approved and accepted also in consideration of said defects.

6.2 Rights relating to material defects can arise only if the delivery items have material defects at the time the risk passes. Subject to Nos. 6.3 to 6.6, Customer may in this case demand post-performance in our discretion either through eliminating the defect (reworking) or supplying an item free of defect (substitute delivery). If we are unwilling or incapable to provide rework/substitute delivery, or if it is delayed beyond a reasonable period for reasons for which we are responsible, or if rework/substitute delivery fails for any other reason, Customer may in its discretion either withdraw from the contract or reduce the purchase price if Customer cannot reasonably be expected to tolerate further attempts to rework or provide substitute delivery.

6.3 No material defects occur in the event of normal wear and tear, in particular involving parts subject to wear and tear (e. g. valve pins, valve pin guide bushings, gates, sealing kits, o-rings, filter elements, fuses, screws, barrels, screw tip assembly including check valves, gate bushings, injection pistons, injection piston guides, wear inserts in sprue bars, gliding surfaces, coatings) or if damage or disruption occurs in the delivery item caused by improper or unsuitable use, defective assembly or start-up by Customer or by a third party, deficient maintenance, especially failure to observe operating and service instructions, use of unsuitable operating resources, unusual operating conditions (especially chemical, electrochemical or similar influencing factors). Proper use and maintenance involves, in particular:

- the proper instruction and the suitability of the operating personnel;
- the daily cleaning of the parting line surfaces;
- the weekly lubrication of the sliding surface (guide system, centering units);
- the regular full cleaning of the delivery item including checking wear and tear.

If the delivery item is not in use for longer periods, it must be properly preserved. The details of proper preservation can be shown in written service instructions.

Applications with filled plastic materials accelerate wear and tear to the delivery item, especially the nozzle points, the gates and the mould inserts which come into contact with abrasive material. Such accelerated wear and tear does not give rise to claims for material defects.

No material defects occur in the event that damages on spare parts are caused by the use of the spare parts in second-hand machinery.

6.4 The limitation period for material defect claims is one year, subject to the following sentence 2. In the event of injury to life, limb and health for which we are responsible, and in the event of wilful intent and gross negligence, the limitation period for material defect claims is two years.

6.5 For damage and loss due to the defectiveness of the delivery item, we are liable only within the limits specified in No. 7 herein.

6.6 If the defective delivery item is a third party product, we are entitled to assign to Customer the defective material claims against our upstream suppliers and to draw Customer's attention to the (judicial) assertion. Action against us under Nos. 6.2 and 6.5 may be taken only if the claims against our upstream suppliers cannot be enforced in spite of timely (judicial) recourse or if recourse is unreasonable in individual instances.

6.7 If we warrant in a particular case a certain number of shots and/or a cycle time for tools, moulds or hot runner systems, such warranty relates to the tool, mould or hot runner system being fundamentally suitable under normal operating conditions to produce the specified number of parts within that period of time. However, this is contingent upon the proper operation, the proper and careful use, and the appropriate, proper and sufficiently frequent maintenance and service intervals.

7. Limitation of Liability

7.1 We are liable according to the regulations of the Product Liability Act as well as in cases of culpable inability and culpable impossibility. We are also liable for damages according to statutory provisions in cases of intent, gross negligence, assumption of a guarantee for the condition of the delivery item or in the event of injury to life, body or health. If we violate with slight or simple negligence major contractual obligations, without the fulfilment of which due performance of the contract would not be possible and upon the fulfilment of which the Customer usually relies and can rely (cardinal obligations) our liability for damages shall be limited to the typically predictable damage; No. 3.3 - reservation of self-delivery - shall remain unaffected. In all other cases of liability claims for damages by the Customer due to the violation of a contractual obligation or due to tort are excluded, in particular we are not liable for loss of profit or other financial losses of the Customer.

7.2 To the extent our liability is ruled out or limited under the foregoing No. 7.1, this also extends to the personal liability of our officers, employees, associates, agents and vicarious agents.

8. Reservation of Title and other Securities

8.1 Until all our claims (including future and ancillary claims such as interest) from the business connection with Customer have been satisfied in full, we reserve title and ownership in the delivery items. If a current account arrangement has been made with Customer, the reservation of title continues to exist until settlement in full of the recognised current account. Upon receipt of a cheque or bill, performance is accomplished only once the cheque or bill is redeemed and if we are able to dispose of the amount without the risk of recourse. If Customer acts contrary to the terms of the contract (especially in the event of default in payment), we will be entitled to take back the goods under reservation of title. The action of us taking back the goods under reservation of title also entitles us to rescind the contract. Once we have taken back the goods under reservation of title, we are authorised to utilise these goods, with the proceeds of the utilisation to be offset against Customer's liabilities – minus any reasonable costs of utilisation.

8.2 Customer is under the obligation to treat the delivery items under reservation of title with utmost care and to notify us immediately in the event of attachment, seizure, damage or loss; a breach of this duty gives us the right to withdraw from the contract. Unless they are capable of being collected by a third party, Customer pays all cost which are incurred especially in the course of an action in opposition to a judgement brought by a third party who claims title to the attached property for revoking the attachment and for replacing the delivery items. During the term the reservation of title is upheld, Customer is obliged to insure the delivery items under reservation of title against loss and damage and to give us written notice thereof. Failure to do so will entitle us to take out insurance cover ourselves at Customer's expense.

8.3 Customer may process the delivery items in the ordinary and usual course of business and use such items in the course of rendering other contractual work and services for third parties; Customer may, however, not pledge or assign the delivery items as collaterals.

8.4 Customer here and now assigns to us, and we accept such assignment, all purchase prices, contractor's fees or other claims arising from the resale or the further processing or for any other legal reason (e.g. insurance claim or tort) with respect to the delivery items under reservation of title (including the recognised balance from current account arrangement or, in the event of the insolvency of Customer's business partner, the "causal balance" then existing) in

the amount of the invoice value of the delivery items under reservation of title. We revocably empower Customer to collect on our behalf and in Customer's own name any claims assigned to us. This empowerment to collect may be revoked only if Customer fails to comply properly with its payment obligations or if Customer has filed an application to open insolvency proceedings on his assets. At our request, Customer must in such case give the details required to collect the assigned claims, to provide the appropriate documents, and to give the debtor notice of such assignment. The assignment of claim under the foregoing Sentence 1 serves to safeguard all claims including future claims arising from the business relations with Customer.

8.5 The Customer processing or working the delivery item is always done on our behalf. If the delivery item is processed together with other items not belonging to us, we will acquire co-ownership in the new item in proportion of the value of the delivery item to the other processed items at the time of processing. For the item evolving by processing, the same provisions apply as for the item supplied under reservation of title.
If the delivery item is bonded into a uniform whole together with other items not belonging to us causing our ownership to expire, it is agreed here and now that Customer's ownership of the uniform whole passes to us pro rata (e.g. in proportion of the value of the delivery item to the other bonded items at the time of processing). Customer holds our co-ownership in safekeeping free of charge. For the item evolving by bonding, the same provisions apply as for the item supplied under reservation of title.

8.6 If the realisable value of the collateral granted to us under the foregoing provisions does not only temporarily exceed our claims by more than 10%, we will to this extent and in our discretion release collateral at Customer's request. The foregoing limit of cover of 110% will be increased by the amount of sales tax or VAT if the collateral is encumbered with value added or sales tax.

8.7 If the laws of the country in which the delivery item is located do not allow the reservation of title to be agreed or allow it to be agreed only to a limited extent, we may reserve other rights in the delivery item. Customer is under the obligation to assist in all required actions (e.g. registration) to bring about the reservation of title or other rights in place of the reservation of title and to protect these rights.

9. Assembly, installation, start-up, acceptance

9.1 Assembly, installation or start-up are made by männer only if agreed separately.

9.2 Time and place of the start-up are to be agreed between the parties.

9.3 If a technical acceptance has been agreed under special terms, Customer must at its own expense carry out such acceptance at our plant immediately after receiving the notice of readiness for acceptance. If acceptance is not made in spite of a reasonable follow-up period being set, the goods are deemed to be accepted. In such case we are authorised to ship the goods or to store the goods at Customer’s risk and expense.

10. Software

10.1 If the delivery includes software, Customer is granted the non-exclusive right to use the delivered software including its documentation.

10.2 Customer is permitted to use the software supplied only for use on the delivery items destined for it. Using the software on more than one system is not permitted.

10.3 Customer may reproduce and/edit the software only within the confines allowed by law.

10.4 All other rights in the software remain with männer or the software supplier.

11. Permissions, Export

11.1 Customer must in good time obtain all permits required for the use and/or the export of the delivery item.

11.2 männer is authorised to withhold its work and services in relation to Customer if Customer fails to comply with statutory requirements or if not all required permits are available and if Customer is responsible for such non-availability.

12. Property Rights

If third party property rights are infringed by a delivery item manufactured according to Customer's drawings, patterns or other specifications, Customer to this extent indemnifies us from and against such claims.

13. Confidentiality

Each contracting party agrees to treat as a business secret any non-public business and technical information (e. g. offer documents) to which it becomes privy by virtue of the business relationship with the other party. It is agreed that no party shall acquire ownership of or any other right to use such information of the other party by virtue of the business relationship or by implied conduct. Neither party may promote itself by referencing the business relationship, unless it obtains the prior written consent of the other contracting party.

14. Workpiece-related patterns and production facilities

14.1 Any patterns or production facilities provided to us by Customer must be sent free of charge. We may request that Customer takes back such facilities at any time; failure to comply with such request after three months will authorise us to return said facilities to Customer at Customer’s expense. The costs for maintenance, alteration and replacement of his equipment and facilities will be paid by Customer. Customer is liable for the technically correct construction and the design safeguarding the production purpose of the equipment and facilities. Without a special agreement, we are under no obligation to check whether the equipment and facilities provided agree with the attached drawings or patterns.

14.2 If Customer orders us to make or procure any patterns, tools or other production equipment, we will invoice the costs incurred thereby.

14.3 We treat all patterns and production equipment with the same care as we treat our own affairs and items of equipment. Our liability extends only to the limits specified in No. 7. At Customer’s request, we are under the obligation to insure his equipment at Customer’s expenses.

15. Place of Performance, Place of Jurisdiction, Applicable Law

15.1 Unless provided otherwise in the confirmation of order, our place of business in 79353 Bahlingen, Germany shall be the exclusive place of performance.

15.2 If Customer is a merchant within the meaning of the Commercial Code, a legal entity under public law or a special asset under public law, jurisdictional venue shall be the place of our registered office in 79353 Bahlingen, Germany. The same applies if Customer has no general legal venue in Germany, after contract closure relocates its residence or ordinary abode away from Germany, or if Customer’s residence or ordinary abode is unknown at the time an action is brought. We are also authorised to take action against Customer at Customer's general jurisdictional venue or forum.

15.3 All legal relations between us and Customer are governed by the laws of the Federal Republic of Germany ruling out the UN Convention on the International Sale of Goods.

Bahlingen, June 2018