

General Terms and Conditions of Sale and Delivery of pelletroneurope GmbH

1. Applicability of the Terms and Conditions

These General Terms and Conditions of Sale and Delivery apply exclusively to companies, a legal entity under public law, and a special fund under public law within the meaning of Section 310 Abs. 1 BGB. Goods, services and offers from the Vendor are made exclusively on the basis of these General Terms and Conditions of Sale and Delivery. These General Terms and Conditions of Sale and Delivery also apply to all future business transactions with the Vendor, provided these are legal transactions of a related nature. Contrary General Terms and Conditions (GTC) of the Vendor are hereby expressly excluded. The Buyer's GTC will not become part of the contract even if they are not explicitly contradicted in the individual case, but only if the Vendor has specifically and expressly approved such Terms and Conditions in writing.

2. Formation of the Contract/Offer

The Vendor's offers are binding in accordance with the binding period specified in the offer. The contract will take effect when the order is placed by the Buyer and the Vendor has submitted its acceptance as a written order confirmation. Additions to the offer, changes and supplementary agreements as well as information, recommendations, advice, agreements and acceptances of the Vendor or its employees or representatives are not binding until confirmed in writing. Estimates of costs and freight are non-binding. The Vendor reserves the right to make changes to the products as part of further development, provided that such changes are reasonable for the Buyer.

3. Prices

All prices are EXW (Incoterms 2010) and exclude the statutory domestic value-added tax or comparable foreign tax that is applicable on the day of delivery or other provision of service. The prices in offers and on invoices relate to the services provided.

4. Payment

Invoices are due for payment 30 days after invoicing unless otherwise agreed. Payments are deemed to be made only when the amount is received in the Vendor's bank account. Smaller defects that do not significantly impact the functionality of the system do not entitle a retention of payment.

5. Default of Payment and Creditworthiness

A payment is in default when the receivable becomes due. In the event of default of payment, the Vendor is entitled to calculate interest rates amounting to 9 percentage points above the respective base interest rate of the European Central Bank (ECB) for the amount owed. The Vendor and the Buyer have the right to assert and substantiate a higher or lower level of damages. In the event of default of payment, all open invoices are immediately due for payment. All discounts, bonuses, allowances and other remunerations that are granted will cease to apply. Furthermore, the Vendor reserves the right to withdraw from the existing contracts. The Vendor also has this right if circumstances become known that call into question the Buyer's creditworthiness (credit unworthiness, especially information about its financial status, insolvency application, or if the Buyer exceeds its credit limit by calling off goods etc.).

6. Delivery Deadline, Force Majeure

Compliance with the delivery deadline requires the fulfilment of contractual obligations and the Buyer's duties to cooperate. The right to raise an objection if a contract is not fulfilled remains. The delivery deadline is extended appropriately for all events and circumstances whose occurrence lies outside of the Vendor's sphere of influence, such as natural events, war, official directives, industrial disputes, embargo, lack of raw materials and energy, disruption to transport and business, and these release the Vendor from its respective obligations to perform to the extent of their force for the duration of the disruption. This also applies if these circumstances occur with the Vendor's suppliers. In such a case, the Vendor is also entitled to withdraw fully or partially from the agreement with respect to the part that is not yet fulfilled. The Vendor is entitled to partial deliveries insofar as this does not give rise to any disadvantage in terms of utility for the Buyer. The obligation to supply does not apply if the Buyer exceeds its credit limit by calling off goods.

7. Contract Fulfilment

The contract is deemed to be fulfilled upon notification that the goods are ready for shipment or in accordance with the contractual agreements.

8. Transfer of Risk/Shipping Costs

Deliveries – including carriage paid deliveries – are carried out at the Buyer's risk ex works. The risk is transferred to the Buyer when the shipment is handed over to the persons carrying out the transport. Shipping is done at the Buyer's expense. If the shipment becomes impossible without fault on anybody's part, the risk is transferred to the Buyer upon notification that the goods are ready for shipment. Uncollected goods are stored at the Buyer's risk and expense. Unless agreed otherwise, the Vendor as the agent of the Buyer determines the mode of transport and transport route. The Vendor will provide insurance cover only upon the Buyer's instructions and at the Buyer's expense.

9. Cancellation Costs

If the Buyer cancels an order that was made without justification, then without prejudice to the right to claim higher damages for the actual damage or loss suffered, the Buyer can claim 10% of the sales price for the costs that were incurred by the processing of the order and for lost profit. The Buyer retains the right to provide proof that the extent of damage is less than claimed.

10. Retention of Title

The Vendor retains the title to the goods that are delivered until all - including future - payment obligations of the Buyer are fulfilled, and the Vendor is entitled to withdraw from the contract until full payment is made if the Buyer defaults on the payment. This retention of title also remains if individual claims of the Vendor are included in a current account and the balance is determined and acknowledged. The Buyer is entitled to process or to dispose of the retained goods in the ordinary course of business, provided it is not in arrears. This entitlement ends with the suspension of payment by the Buyer or with the application for or opening of insolvency proceedings. If the retained goods are processed by the Buyer into a new movable item, the processing will take place for the Vendor without the Vendor being committed by this. The new item will become the property of the Vendor. If the goods are processed, mixed or combined with goods that

do not belong to the Vendor, the Vendor acquires co-ownership of the new item in the ratio of the invoiced value of its retained goods to the total value. The Buyer will hold the reserved goods for the Vendor free of charge. The Buyer must insure them from the usual risks such as fire, theft and water in the usual scope. As a precaution, the purchaser assigns to the Vendor in the amount of the invoice value (including VAT) of the goods all claims arising from the onward sale of the retained goods and the claims to compensation for damages to which it is entitled from damage such as that named above against insurance companies and other persons obligated to compensation. If the goods are re-sold in which the Vendor is entitled to a co-ownership share, the assignment in advance includes a share of the receivable to the amount of the invoice value of the co-ownership share. Until revocation, the Buyer is entitled to collect assigned receivables. This does not affect the Vendor's right to collect the receivable itself. However, the Vendor is obligated not to collect the receivable if the Buyer fulfils its payment obligations, is not in default of payment, and insolvency proceedings have not been instituted with respect to its assets. In this case, the Buyer's collection authorisation expires without express revocation. Pledging or transferring by way of security of the retained goods or the assigned receivables are not permitted. The Vendor must be informed immediately of any pledging immediately with the name of the holder of the pledge. At the Buyer's request, the Vendor is obliged to release the securities to which it is entitled insofar as their realisable value exceeds the receivables secured by more than 20%.

11. Quality of the Goods, Technical Advice, Use and Processing

Unless otherwise agreed, the quality of the goods results from the agreed specifications, properties of models and samples and acceptance reports. Test reports are binding only if they have been expressly included as part of the contract. Quality descriptions and other details are warranties only if they have been agreed and designated as such. Application-related advice and recommendations within the framework of sales negotiations and existing contracts are made by the Vendor to the best of its knowledge. The properties that are specified in the contract apply exclusively to all details and information about the suitability, application and use of the Vendor's goods and do not release the Buyer from inspecting the products itself as to their suitability for the intended operation and purpose, or from performing production controls.

12. Complaints

Complaints are considered only if they are made immediately in writing, at the latest within 14 days after receipt of the goods, together with documents, samples, packing slips and information about the invoice number, the invoice date and the signing located on the packaging.

13. Buyer Rights in the Event of Defects

The Vendor is liable for defects for the duration of one year from the contract fulfilment (point 7); after that, there is a limitation of claims. Warranty rights of the Buyer require that they have properly fulfilled their obligations to inspect and give notice of defects in accordance with Section 377 HGB. If a defect is discovered, the Vendor is entitled to choose between a subsequent delivery or to eliminate the defect as part of supplementary performance. The Vendor reserves the right to two attempts at supplementary performance. Claims for defects will be excluded if the Buyer

has made changes to the goods. The Buyer is entitled to claim damages in lieu of the service only in the event of intentional or grossly negligent violation by the Vendor. In all other respects, the regulations specified under "Liability" will also apply to the warranty. The Buyer must check whether the goods that were delivered are suitable for the intended use. Warranty claims are excluded if the Buyer has failed to preserve rights of recourse against third parties (such as documentation, certification of quantity shortfalls). Measures undertaken by the Vendor to minimise damage do not apply as an acknowledgement of the defect. The statutory time limits apply to wilful or malicious conduct and to claims in accordance with the German Product Liability Act.

14. Liability

In the case of intent, gross negligence by legal representatives or executive officers and in the event of culpable breach of cardinal contractual obligations by these or other employees or representatives, the Vendor is liable in accordance with the statutory provisions. The Vendor is not liable for the breach of non-essential contractual obligations by other employees or representatives. The Vendor is not liable for damages that are not typical to the contract and are therefore hardly foreseeable. Claims for damages arising from an offence exist only for cases of intent or gross negligence. Consequential damages of any kind are excluded. This also applies to actions of vicarious agents of the Vendor. The foregoing limitations on liability will not apply in the case of damages resulting from any injury to life, limb or health. Compelling statutory liability provisions such as liability under the German Product Liability Act remain unaffected. Where culpability is a prerequisite for a claim by the Buyer, the burden of proof rests with the Buyer.

15. Warranty and Expiration of Warranty Claims

The Vendor grants a warranty on the delivered goods of 18 months from the performance of the contract (point 7) or in accordance with the deviating agreements as agreed in the contract. All claims of the Buyer arising from warranty claims against the Vendor will expire after 24 months from the contractual fulfilment (point 7).

16. Regulations Concerning Foreign Trade

If an approval is required in accordance with German or European foreign trade law to fulfil the legal transactions, goods or services offered, the contractual fulfilment is subject to the condition precedent. If this approval is not granted or complied with, or if content-related ancillary provisions are not fulfilled, this releases the Vendor from the obligation to fulfil the contract. The Buyer is committed to engaging constructively in the approval procedure and especially to procuring all necessary documents. All costs and fees that are incurred in doing so are the responsibility of the Buyer. The observance and performance of the relevant regulations concerning foreign trade (such as export control regulations, import licenses, foreign exchange transfer permits etc.) and other laws that apply outside of the Federal Republic of Germany will fall within the Buyer's area of responsibility. The information concerning foreign trade that the Vendor provides to the best of its knowledge is non-binding. This does not release the Buyer from performing its own check of compliance with the provisions concerning foreign trade in terms of the products. Submission of boycott measures in foreign trade is ineffective (Section 4a AWW).

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

The law of the Federal Republic of Germany applies to all terms of business and legal relationships. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply. The place of performance for all goods delivered/services rendered and the place of jurisdiction is Ravensburg, Germany. Furthermore, the Vendor is entitled to assert its own claims at the place of jurisdiction of the Buyer at its discretion. The Buyer is not permitted to enter a counterclaim before courts other than the court of the action or to set off its claim against the claim of the action before courts other than the court of the action.

18. Final Provisions

If one provision of these General Terms and Conditions of Sale and Delivery should be or become ineffective, this will not affect the validity of the remaining provisions.

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