

§ 1 Validity of the General Terms and Conditions

1. Our Terms and Conditions shall apply exclusively. Deviating terms and conditions by the customer shall be explicitly objected to. They shall only become a component part of the contract if their validity is confirmed in writing by us for each individual contract.

A conclusion of contract shall not fail due to contradictory terms and conditions. Each provision of these Terms and Conditions shall be valid on its own. Our Terms and Conditions shall only apply versus merchants within the meaning of § 14 Abs. 1 BGB.

2. As far as colliding General Terms and Conditions are in agreement, the provisions in agreement shall apply. Moreover, those parts of our Terms and Conditions shall be considered agreed upon which are not opposed with any colliding provisions of the customer's general terms and conditions. On the other hand, those provisions of customer's general terms and conditions shall not become a contract component which are not fully in agreement with the regulating contents of our General Terms and Conditions.

In all other cases, modifiable law (jus dispositivum) shall apply.

3. In their respective version, these Terms and Conditions shall also apply for all future contracts of goods delivery and subsequent delivery between the parties in a current business relationship without the necessity of a renewed inclusion or reference to be made to the Terms and Conditions after the initial agreement.

4. With every new version and change of the General Terms and Conditions, we shall advise the customer in writing about the change and, upon request, we shall send the customer a copy of the amended General Terms and Conditions.

5. For documents with their translation enclosed in a foreign language and referring to a contract with the language of negotiations being German, the translation shall only be considered for information. Exclusively decisive for the contractual contents shall be the German wording.

6. The written form shall be required for any side arrangements, subsequent contract amendments and quality warranties by persons not entitled to negotiate contracts.

§ 2 Offer and Contractual Content

1. Our offers shall be subject to confirmation. They shall be an invitation versus the customer to make a binding offer for conclusion of a contract (order) and are therefore not yet binding for us. We can accept orders within a period of 3 weeks. During this period, customer shall be bound to his offer. Contracts shall only become binding for us if we accept the order in form of a written order confirmation. We are not obligated to oppose a potential customer's order letter making reference to such an offer if the contract is not to come about.

2. Unless part of a legal offer, specifications and photographs of our products in brochures, leaflets, mailings and adverts are to be recognized as approximation only.

3. We may manufacture our products within the technically necessary material-specific and process-specific tolerances as far as they are within the commercial standards and can be reasonably expected to be accepted by the purchaser. For DIN-standard goods, the DIN tolerances shall apply.

4. For aluminum combinations, the following thickness tolerances shall be acceptable as far as they are due to the technical process or the material

- films or strips, respectively +/- 8%
- paper and other laminating materials +/- 10%
- format length and format width each +/- 1-1.5mm

For plastic films shall be applicable:

- film thickness +/- 10%
- format length and format width +/- 5%

5. The customer may withdraw from the contract if the changes in the subject of contract exceed commercial standards in a way that they are unacceptable for the customer. The withdrawal needs to be declared in writing within two weeks after notification made by us.

6. We are allowed to manufacture our products with technically necessary material-specific and process-specific quantity tolerances (additional or short deliveries) as far as they are commercially customary and can be reasonably expected to be accepted by the purchaser.

| Quantity in m ² | Variances |
|----------------------------|------------|
| 1.000 – 5.000 | -10 / +35% |
| > 5.000 – 20.000 | -10 / +25% |
| > 20.000 | -10 / +10% |

§ 3 Offer Costs, Documents and Property Rights

1. The first processing of an offer is free of charge. Additional offers and draft work shall only be free of charge as far as the delivery contract becomes and remains valid.

2. We shall reserve our ownership rights and copyrights in documents sent by us, especially drafts, drawings, sketches and illustrations. They may neither be copied nor made accessible to third parties without our consent. Any forms, samples, art work or tools produced by us within the scope of contract performance shall remain our property.

3. We shall not be obligated to surrender them to the customer even if the price for it has been separately itemized in the contract or the invoice, unless there is an otherwise explicit contractual agreement. We shall be entitled to copyrights in the mentioned forms, samples, art work or tools.

4. As far as we submit samples, print or execution documents to the customer, these shall be reviewed without delay by the customer. The obligation of review shall also extend to the applicability for the customer's purposes (especially the applicability as a packaging means) regardless of whether they are contractual contents or not. Customer shall immediately advise us in writing of any deficiencies discernable during the inspection, of any deviations from the contractual contents or change requests resulting from the review, otherwise the execution according to the samples or documents shall be considered approved.

5. Our possible liability for any deficiencies or variations not recognizable during the review shall remain unaffected, as well as our liability for any non-contractual samples or execution documents which were submitted by us in bad faith. Commercially customary deviations of samples and supplied goods shall be reserved.

§ 4 Prices

1. Unless otherwise agreed upon, all prices shall be net “ex works” plus the statutory value-added tax at the time of invoicing. Additional costs such as freight, customs, insurance and bank charges shall be separately billed.
2. Subject to another agreement, we shall be bound to the stipulated prices for a period of 6 weeks. If costs increase then (especially due to collective pay settlements or material price increases) after expiration of the commitment period and prior to delivery, we may increase the stipulated prices accordingly. Upon request, we shall provide proof of the cost increase to customer.
3. For reorders, prices shall be renegotiated.
4. If we are charged with any VAT claims retroactively (§ 6 a IV UStG) even though there was no VAT included in our first invoice according to § 4 Nr. 1 b i. V. m. § 6 a UstG, we are obliged to demand those fees from our customer. This applies to all taxes (e.g. VAT, Custom Tax, related domestic or international taxes).

§ 5 Delivery date – Delivery periods – Arrears – Force Majeure

1. Subject to other contractual agreement, a stipulated delivery due date shall be considered kept if the delivery item has left our factory until its expiration or if readiness for shipment has been advised to customer.
2. If order execution depends on documents or the clarification of essential questions which customer must provide, a delivery due date stipulated or promised by us will only remain binding if customer has clarified the question or supplied the documents until the beginning of the 4th week before the delivery due date.
Which documents and clarifications within the meaning of this provision must be supplied shall be in accordance with the separate determination by both parties in the contract or it will result from the nature of the contract.
3. Unless otherwise agreed upon, delivery periods shall begin upon sending of the order confirmation.
4. Delivery periods shall not begin, however, before the supply of documents to be provided by customer, as well as before the clarification of essential questions for the execution of the contract. Which documents are to be supplied and which questions must be clarified by the customer shall depend on the individual contractual agreement by the parties or the nature of the contract.
5. Keeping the delivery period shall require the performance of stipulated prepayment obligations by the customer. Moreover, the delivery period also begins after performance of those contract obligations which are separately determined in individual contracts with reference to this provision or which result from the nature of the contract.
6. In case of delayed periods in accordance with the above stated provisions, a new delivery due date shall only be binding after written promise by an authorized employee of company Leeb GmbH & Co.KG. The same shall apply for those cases where the due date has become non-binding due to statutory provisions.
7. The delivery period shall be reasonably extended or the delivery due date shall be moved by a reasonable period in case of measures within the scope of labor disputes, especially strike or lockout,

as well as upon the onset of unforeseeable obstacles which are outside our intents, such as e.g. operating failures, energy or raw material shortage, traffic delays, territorial interventions or dispositions, as far as such obstacles demonstrably have a considerable effect on the completion or the delivery of the delivery item.

This shall also apply if the circumstances arise at the subcontractors'. The same shall apply for obstructions due to force majeure. We shall also not be responsible for the aforementioned circumstances if they occur during an already present delay of performance. If the failure lasts more than 1 month, each party to the contract shall be entitled to terminate the contract in writing. In the event of termination, the costs of the work already performed including the material shall be replaced to us.

Upon request by each party of the contract, the respectively other party shall declare, upon expiration of the one-month period of delay, whether it wants to stick to the contract or not. As soon as possible, we shall be obligated to advise the customer in writing about the onset of a delay. The same shall apply for a cessation of the delay.

8. The prerequisite of our delivery obligation shall always be subject to our own proper and on-time supply.

9. If we are responsible for exceeding the delivery due date, the customer may cancel the contract or reject further contract performance in accordance with § 323 BGB (Civil Code) after having given us in writing a grace period of at least 2 weeks threatening cancellation and this has expired without avail. He can immediately reject further contract performance if this is no longer of interest for him in accordance with § 323 II BGB or if we seriously and unequivocally refuse further contract performance.

The declaration of rescission or, respectively, rejection, as well as setting of the grace period may only be given in writing.

10. In case of delay on our part or, respectively, if the prerequisites of § 323 BGB are met, we shall only be liable for damages if there is intent or gross negligence on our part. This does not apply if there is a firm business deal.

§ 6 Delivery and Delivery on Call

1. We are entitled to reasonable partial delivery. According to our terms of payment, those partial deliveries have to be paid for separately. Once the partial delivery has been executed by Leeb GmbH & Co. KG, the customer may apply his rights according to § 5 of the prevailing terms and conditions given that they are applicable.

2. If delivery on call has been agreed upon, company Leeb GmbH & Co. KG shall have the right – in the event that customer is in arrears with his obligation of call – to reject, after having set a reasonable grace period, further performance of the contract and to rescind the contract and/or demand damages for non-performance. The claim by company Leeb Folien for damages due to delayed performances shall remain unaffected according to § 280 Abs. 1, Abs. 2 BGB i.V.m. § 286 BGB. Optionally, company Leeb GmbH & Co. KG shall have the right in this case to demand the stipulated purchase price against provision of the complete delivery.

3. If not agreed upon otherwise, delivery on call must be called within a 3-month period after order confirmation.

§ 7 Passage of Risk and Transportation

1. Unless otherwise separately agreed upon, delivery ex works Memmingen shall be considered agreed upon. This shall also apply for partial deliveries.
2. As far as requested by the customer, we shall cover the delivery by a transport insurance; the costs incurred in this respect shall be borne by the customer. This shall also apply for partial deliveries.
3. If the goods are to be handed over to the carrier or the customer at our facilities, the risk described above shall be passed over to the customer.
4. Unless otherwise agreed upon, we shall determine the means of transportation as well as the transportation route without being responsible choosing the quickest and/or cheapest option. If specifically asked for by the customer, we will effect an insurance in the name of the customer against damages caused by means of transport, storage and handling/assembly. In this case we take the risk of transportation beyond the above-described passage of risk.
5. If the transport shall be carried out by a third party without insurance coverage, the goods travel at the third party's own risk.
6. As far as we bear the risk of transportation according to the above provisions, the customer is obliged to support any claims settlements in the best its knowledge. It is within the customer's obligation to identify any transportation damages upon arrival of the goods and inform Leeb GmbH & Co. KG of any shortcomings without delay. In case of a benefit cut by the insurance company due to insufficient participation of the customer, we are obliged to transfer those cuts at the customer's expense.
7. If the goods are ready for shipment and the shipment is delayed by reasons not caused by Leeb GmbH & Co. KG, the risks of transportation shall be passed on to the customer upon notice of readiness of shipment. This applies equally for delayed deliveries on call.

§ 8 Acceptance

1. Delivered goods – even if damaged – have to be accepted by the customer. If the customer declines acceptance of the goods, claims of damage cannot be made by the customer. Customer's rights in matters of damage will remain unaffected.
2. Putting delivered goods into operation without proviso qualifies as acceptance of the goods, even if installation work is still to be done.

§ 9 Terms of Payment

1. In the absence of a special agreement or a contrary, even restrictive notice on the invoice, payment shall be made within 30 days as of the invoice date without any deduction.
2. Cash discounts shall not be allowed subject to an agreement to the contrary or our special consent on the invoice. As far as a cash discount has been agreed upon or allowed by us, it shall only be allowed in case of full payment. Cash discount deduction of part payments shall not be accepted. We shall only accept by way of provisional performance other means of payment than cash or transfers to the accounts specified in the invoice.
All payments shall be made free of charge for us. Customer shall bear the bank, discount and collection charges. Prior agreement shall be required for bill payments

3. We are obliged to claim an interest rate of an additional 8% added to the base rate in case of non-payment by date of expiry. If additional damage resulting from delayed payment can be proven by us, we shall assert this damage at the customer's expense according to § 11 of this document.

4. A counter claim by the customer cannot be balanced with claims made by Leeb GmbH & Co. KG, unless they are established by law.

5. If the customer is in arrears with a payment for more than 10 days or if, after contract conclusion, customer's assets deterioration becomes known to us irrespective of whether such deterioration occurs before or after contract conclusion, we can –at our option – demand from customer either prepayment with regard to the prices of all supplies not yet rendered by us, or security payment with regard to these claims. Moreover, we can demand immediate cash payment of all open claims without taking stipulated payment periods into account. Before these requests have not been met, we shall not be obligated to further delivery under the current contracts.

6. Each partial delivery shall be treated as individual business deal.

7. Partial payments need to be agreed upon in written form.

§ 10 Reservation of Ownership

1. We shall reserve ownership of the delivery object until the customer has paid all demands resulting from the business relationship with us. Thus, the reserved ownership in the delivery object also secures claims against the customer from contracts which are not related to the delivery object. Customer shall safeguard the ownership collateral for us.

2. If extended reservation of ownership rights cannot be obtained, single reservation of ownership rights shall apply.

3. Customer may only sell or further process the delivery object in regular business operations as far as he is not in default of payment.

4. Already upon conclusion of the purchase contract between him and us, he shall assign to us in full amount and for collateral the claims which are due to him from the sale or for other legal reasons versus his buyers with all subsidiary rights. As far as we are only entitled to a co-ownership in the collateral goods according to these Terms and Conditions, customer shall assign to us that part of the claim which he is entitled to from the sale or for another legal reason which is equivalent to the share of our co-ownership share in the total ownership. Customer shall remain entitled to collect the claim as long as he is not in arrears of payment versus ourselves. We shall not be entitled to our own collection of claim as long as the customer is not in arrears with one or several claims under the business relationship, as long as he meets his payment obligations from the amounts collected, as long as there is no application for bankruptcy or settlement proceedings or, respectively, as long as there is on his side no stoppage of payment.

5. In case of the customer's delay in payment, we shall be entitled to take back the goods. Redemption by us shall not yet be a withdrawal from the contract, unless we had declared this explicitly in writing. After taking back the purchase item, we shall be entitled to its realization; the realization proceeds shall be credited against the customer's liabilities – minus reasonable costs of realization.

6. We can request that customer makes known to us the assigned claims and their debtors, that he

provides all necessary information for collection, surrenders to us the pertinent documents and informs the debtor of the assignment.

7. In case of attachments, seizures or other dispositions by third parties, customer shall notify us immediately, enclosing all documents (minutes of attachments, etc.).

8. Customer shall safeguard for us the co-ownership thus developed. As far as customer's vested right in the course of acquisition of the collateral goods expires due to the processing or mixing, we shall assign herewith the collateral goods to customer under the same suspensive conditions as are provided for in these Terms and Conditions for the transfer of ownership of the originally delivered goods.

9. We are entitled to issue insurance for the collateral goods on the customer's expense.

10. If the value of the collateral which we are entitled to exceeds our claims under the business relationship by more than 15%, we shall be obligated insofar to the re-assignment of collaterals, upon the customer's request. We shall be entitled to select the collaterals to be released.

11. Processing or modification of the purchase object by customer shall always be done for us. If the purchase object is processed with other objects which are not ours, we shall acquire co-ownership in the new object at the ratio of the invoice value of the purchase object to the invoice value of the other processed objects at the time of processing. If an invoice value is not ascertainable, the fair market value (purchase value for the processing customer) of the processed objects shall be decisive. Customer shall safeguard for us the co-ownership thus produced.

12. If the purchase object is mixed inseparably with other objects which do not belong to us, we shall acquire co-ownership in the new object at the ratio of the value of the purchase object to the other mixed objects at the time of mixing. If mixing is done in such a manner that the object of the customer is to be considered as the main object, it shall be considered agreed upon that the customer acquires a pro-rated co-ownership.

13. If the collateral good becomes major part of a property, we are entitled to visit and enter this property.

14. The execution of rights with respect to the collateral goods does not equal a withdrawal from the contract.

§ 11 Delayed Performance by Customer

1. If customer does not accept the goods – due to a circumstance which he is responsible for – at the stipulated delivery period or, respectively, upon expiration of the stipulated delivery due date, we can demand replacement of our additionally incurred expenses.

2. If we are entitled to claim damages in case of the customer's arrears, we can demand – irrespective of the possibility of claiming higher actual damage – interest payments on the sum with which customer is in default, at 8% above the corresponding discount rate by the Deutsche Bundesbank (Federal German Bank) as the damage caused by the delay, unless the customer proves that no damage occurred at all or that it is considerably lower than the flat rate.

3. If company Leeb Folien is entitled to demand damages for non-performance, we can claim 15% of our price as damages – irrespective of the possibility of claiming higher actual damage – unless the

customer proves that no damage occurred at all or that it is considerably lower than the flat rate.

§ 12 Warranty

1. If not agreed upon otherwise, our products are subject to a warranty period of 6 month from date of production (date stamped on packet label).
2. If our goods have defects for which we are liable, we shall be entitled to either remedy the defects or make substitute delivery at our discretion. Replaced parts shall become our property.
3. Complaint of obvious defects must be made in writing at the latest within 14 days after delivery of the goods at the buyer. The existence of non-obvious defects must be complained about in writing within 5 days after their discovery. In each case, the complaint shall indicate the type and extent of the defects. The notice of defects shall also indicate the order data and the invoice and shipment number. Defects shall be obvious which are recognizable by the buyer upon the expedient examination of the goods according to proper business procedures. Otherwise applicable shall be §§ 377, 388 HGB. If the complaint is not made early enough or not in writing, the goods shall be considered accepted.
4. We are entitled to deny the rectification of a defect if the customer has violated his duty of payment (excluding amounts resulting from the defects in question).
5. To make the remedies which we consider necessary and to make substitute deliveries, the customer shall grant us, according to agreement, the required time and opportunity. We shall be released from the liability for defects if we are not given this opportunity after expiration of a grace period which we had set for this.
6. Within the scope of our liability for defects, we shall bear the costs required for the purpose of the remedy of defects or of substitute delivery. This shall not apply for costs which are caused due to the fact that the goods are at another place than the place of performance.
7. Contribution claims concerning consumer goods (§ 478 BGB) with respect to the customer's agreements with its recipients are excluded. Our customer has to inform as in a timely manner about its recipients' liability. We are entitled to act upon the recipients' liability standard.
8. An acceptance certificate signed by the customer needs to be issued if installation work is part of our contractual obligation. Defects known at this point have to be stated within this certificate, alternatively, our goods and services shall be considered in good order.
9. The same warranty rules apply for replaced / repaired goods.
10. The period of limitation for any warranty claims shall be 6 months unless negligence / deliberate intention can be proven. Contribution claims according § 478 BGB as well as other limitation periods regulated by law (construction work) shall remain unaffected. The same holds true for consequential harm caused by a defect.
11. In the event that the remedy of defects fails, customer shall be entitled to request – at his option – either lowering the remuneration (reduction) or undoing of the contract (cancellation) according to § 13 of this document.
12. We are obliged to render our services in the country defined as shipping-address free of third-

parties ownership rights. In case of third party trade mark rights violation caused by us, we shall either obtain the relevant right of use and transfer it to the customer or alter the goods in a way that no ownership rights are concerned. If the attempt of alternation fails to our debt, customers are entitled to enforce legal claims according to § 13 of this document

13. If the customer withdraws from the contract because of a legal or material defect after inadequate supplementary performance, he shall not be demanding claims for damage. The goods remain with the customer if claims for damage are asked for by the customer after inadequate supplementary performance. This shall not apply if the default on contract has been acted maliciously.

14. If the customer receives defective assembly instructions, we are only obliged to deliver a faultless assembly instruction if the defective assembly instruction prevents the customer from a proper assembling of the goods.

§ 13 Compensation for Loss / Damage suffered

1. There shall be no further claims by the customer for whatever legal reason, especially a claim for restitution of damages which did not occur on the delivery item itself, as well as any claim for the restitution of lost profits or other economic losses by the customer, unless the cause of damage is due to gross negligence or intent which we are responsible for. Excluded shall be, in particular, claims for damages which are due to our negligent positive breach of contract, negligent illicit acts, as well as negligent breach of duties in contract negotiations (CIC), unless the cause of damage is due to gross negligence or intent which we are responsible for. The same holds for claims concerning lifetime warranties (§ 443 Abs. 2 BGB).

2. As far as our liability is excluded or restricted, this shall also apply for the personal liability of our employees, workers, co-workers, representatives and vicarious agents. This exemption from liability shall not apply if customer is able to claim damages for non-performance in accordance with §§ 463, 480 II, 635 BGB due to the lack of a promised property. The liability restriction is, moreover, not applicable for claims in accordance with §§ 1, 4 Produkthaftungsgesetz (Product Liability Law).

3. The limitation of liability in time for customer and supplier is determined by § 12 Ziff. 10 as far as claims according to producer liabilities § 823 ff BGB or the Product Liability Law shall not apply. This holds true for consequential damages as well.

4. We assume no liability for damages caused by unsuitable or improper use, incorrect self-installation and commissioning, normal wear and tear, faulty or negligent treatment – especially excessive use – unsuitable equipment, replacement materials, defective construction work, unsuitable building ground, chemical, electrochemical or electrical influences and improper modifications.

5. If not agreed upon within an individual contract, we are not liable for issuing any necessary regulatory approvals and for the execution of immission compliance.

§ 14 Place of Performance, Legal Venue and Stipulated Law

1. Memmingen shall be the place of performance for all contractual obligations.

2. If customer is a full merchant, the legal venue for any legal disputes under the contract relationship shall be, at our option, either Memmingen, the customer's registered office or – for

deliveries abroad – the capital of the country with the customer’s registered office.

If customer is not a full merchant, the legal venue shall be, at our option, either Memmingen, the customer’s registered office or – for purchases abroad – the capital of the customer’s registered office in the event that the customer moves his/her domicile or customary residence from the purview of this law or if his/her domicile or customary residence is unknown at the time of filing the action.

3. The legal relationships between the customer and ourselves shall be exclusively subject to the law of the Federal Republic of Germany.