

## General Terms and Conditions of Sale and Delivery of Polifoam Plastic Processing Co. Ltd., Hungary

### 1. Validity

- 1.1. The following terms and conditions of sale and delivery (hereinafter "General Terms and Conditions") apply to all contracts of sale, sales activities, services and offers of Polifoam Plastic Processing Co. Ltd. (seat: 1097 Budapest, Táblya u. 34/A., Hungary, company registration number: Cg.01-09-060479, Community VAT number: HU10182930) (hereinafter also referred to as "Trocellen") - unless expressly otherwise provided for by Trocellen. They are an integral part of all agreements which Trocellen concludes with its contractual partners (hereinafter also referred to as the "Buyer") regarding the sales, deliveries or services which Trocellen offers. They also apply to all future sales, deliveries, services or offers to the Buyer even if they are not specifically agreed upon again.
- 1.2. With the placement of an order to Trocellen, the Buyer expressly agrees to accept the content of these General Terms and Conditions. Additionally, neither Trocellen nor any of its subsidiaries are bound by any terms and conditions of business of the Buyer or a third party, even if Trocellen or any of its subsidiaries do not specifically object to their validity in the respective case. Even if Trocellen makes reference to correspondence which includes the Buyer's or third party's terms and conditions of business, this shall not constitute any agreement to the validity of such terms and conditions of business.
- 1.3. Individual agreements that are concluded in an individual case between the Buyer and Trocellen (including supplements and amendments) precede these General Terms and Conditions. For the content of such agreements an agreement duly signed by the authorized representatives of the Buyer and of Trocellen in writing, or, as the case may be, the confirmation in writing by Trocellen shall prevail.

### 2. Trocellen Offers

- 2.1. All Trocellen's offers are issued in writing by Trocellen and are not binding (unless explicitly specified as binding); they can be modified at any time with prior written notice to Buyer until a contract according to clause 3 of these General Terms and Conditions is concluded. Particularly the standard products can be varied or modified in this way at Trocellen's discretion.

### 3. Orders and Conclusion of Contracts

- 3.1. The Buyer's orders addressed to Trocellen shall be issued in writing and are subject to Trocellen's approval. A binding agreement is only concluded between Buyer and Trocellen when orders are accepted by Trocellen with a written "Customer Order Confirmation" sent to the Buyer. The Customer Order Confirmation indicates the description of the item ordered, the price, the payment terms, the delivery terms and place, the quantity and sales terms applied and the ordered quantity should be a multiple of batches in sale.
- 3.2. Any request for modification of an order is subject to Trocellen's approval and must be sent in writing to Trocellen. Trocellen is entitled to accept or reject the said request for modification and charge the Buyer any possible increased cost arising from or related to this modification.

### 4. Orders and Trocellen Group Companies

- 4.1. Buyer accepts that Trocellen reserves the right to provide for the delivery of certain products via another Trocellen group company than the one with which the order has been placed (Trocellen group companies being: Trocellen GmbH, Germany; Trocellen Italia S.p.A., Italy; Trocellen Iberica S.A., Spain; Trocellen RUS, Russia; Polifoam Plastic Processing Co. Ltd., Hungary).
- 4.2. Such delivery by another Trocellen company may be processed as follows:

- (a) Buyer accepts that Trocellen may confirm to the Buyer the order by a Customer Order Confirmation as set forth in clause 3.1 of these General Terms and Conditions while internally Trocellen may instruct another Trocellen company to execute the order, which will then provide for the delivery to the Buyer. However, Trocellen - with which the order has been placed - remains the contractual partner of the Buyer and the Buyer is obliged to accept delivery of the other Trocellen company involved by Trocellen.
- (b) Buyer accepts that in case Trocellen does not have the capacity to process an order and for the purpose of a fast and seamless processing of the Buyer's order, Trocellen alternatively has the right to transfer and assign a Buyer's order to a different Trocellen group company. In case of such transfer and assignment the Trocellen group company to which the order has been transferred will be sending the Customer Order Confirmation to the Buyer as set forth in clause 3.1 of these General Terms and Conditions. Accordingly, upon such transfer of the order the Trocellen company to which the order has been transferred will replace Trocellen; also for the purpose of this General Terms and Conditions. In case of such transfer of order, the Buyer has the right to withdraw his order by written notice within one week upon receipt of the Customer Order Confirmation sent by the Trocellen company to which the order has been transferred.

### 5. Technical Characteristics and Allowance

- 5.1. The technical characteristics and allowance applied are described in Trocellen's "Basic Sales Specifications". Trocellen's "Basic Sales Specifications" form an integral part of these General Terms and Conditions and are hereby expressly accepted by the Buyer as amended at the time of conclusion of a binding agreement between Trocellen and Buyer. The current Basic Sale Specifications will be provided to Buyer immediately upon request from Trocellen (e.g. by fax) and are also available on the Internet at [www.trocellen.com/downloads](http://www.trocellen.com/downloads).
  - 5.2. Should the Buyer require a product with different characteristics than described in the Basic Sales Specification, the Trocellen sales department can define a "Customer Specification" which must be agreed in written form between Buyer and Trocellen prior to the placement of an order ("Special Order").
- ### 6. Prices and Payment
- 6.1. Prices apply to the scope of services, sales and delivery as stated in the Customer Order Confirmation. Additional or special services shall be invoiced separately. The price is ex-works (Incoterms 2010) the delivery place that is indicated in the Customer Order Confirmation and does not include costs for packaging, transport, insurance, tax or duties related to the transportation from the delivery place indicated in the Customer Order Confirmation. In case of no specification of delivery place in the Customer Order Confirmation the price is ex-works (Incoterms 2010) Trocellen 1097 Budapest, Táblya u. 34/A., Hungary.
  - 6.2. As far as Trocellen's list prices form the basis of the agreed prices and the delivery shall take place more than four months after the conclusion of an agreement between the Buyer and Trocellen, Buyer accepts that Trocellen's list prices valid at the time of the delivery shall apply. (Fixed or percentage discounts agreed in the agreement between the Buyer and Trocellen remain unaffected).
  - 6.3. The payment is to be made according to the agreed terms; if the Buyer does not make due payment, the interest on the outstanding amounts is calculated at the rate set forth under 6.155. § par. (1) of the Hungarian Civil Code (Act no. V of 2013) plus 3 percentage points as of the due date. Buyer accepts that Trocellen's right to assert higher interest and other damages in the case of faulty late payment or other default of the Buyer remains unaffected. Buyer accepts that any possible financial discount given to Buyer or other payment term agreed in favor of the Buyer is set off and becomes ineffective in case of occurrence of faulty late payment by or other default of the Buyer. In case of the Buyer's faulty late payment any possible amount payable by the Buyer becomes due immediately, save the case that the outstanding amount is only of insignificant value.
  - 6.4. The non-payment, in whole or in part, of an invoice (also in case of claim or dispute or exception of any nature) entitles Trocellen to terminate the agreement after setting a final appropriate payment deadline to Buyer or suspend the pending deliveries for the respective and any other order or agreement in progress until full payment of amounts due, even if these orders or agreements in progress refer to transactions other than those related to the non-payment. It is understood that besides the exercise of Trocellen's rights under this clause 6.4 any further damage and other claims admitted by the law remain unaffected.
  - 6.5. It is only permitted to offset with the Buyer's counterclaims or to withhold payments based on such claims if the counterclaims are undisputed or final and absolute as based upon a non-appealable final decision of a competent court.

### 7. Quantity and Delivery

- 7.1. The delivery is ex-works (Incoterms 2010) the delivery place that is indicated in the Customer Order Confirmation. In case of no specification in the Customer Order Confirmation the delivery is ex works (Incoterms 2010)

Trocellen, 1097 Budapest, Táblya u. 34/A., Hungary. Trocellen will inform the Buyer in writing when the goods are ready for delivery.

- 7.2. Any periods and dates for deliveries and services which Trocellen announces shall only be approximate unless a fixed period or date is explicitly arranged or agreed.
- 7.3. Irrespective of its rights arising from the Buyer's default, Trocellen can demand an extension of the periods for delivery or services or a postponement of the dates for delivery and services from the Buyer to the same extent that the Buyer does not fulfill its contractual obligations vis-à-vis Trocellen.
- 7.4. Trocellen is not liable for cases where it is impossible to make the delivery or provide the services or for delays in the delivery if these have been caused by force majeure or other events affecting Trocellen (e.g. business disruptions of all types, difficulties in procuring material or energy, delays in transport, strikes, legal lock-outs, lack of workers, energy or raw materials, difficulties in procuring compulsory official permits, official measures, or the lack of or incorrect delivery by suppliers or delivery by suppliers which is not in due time), which events were unforeseeable when the agreement was concluded and provided that Trocellen is not responsible for such events. If such events significantly hinder Trocellen or make it impossible for Trocellen to carry out the delivery or render the services and the hindrance is not only of a temporary nature, Trocellen is entitled to withdraw from the agreement. If the hindrance is of a temporary nature, the periods for delivery or services shall be extended or the dates for delivery and services shall be postponed by the duration of the hindrance plus an appropriate start-up period. If it is not reasonable to expect the Buyer to accept the delivery or services due to the delay, the Buyer can withdraw from the agreement through a written declaration made to Trocellen.
- 7.5. On Buyer's Special Orders, unless otherwise agreed in Trocellen "Basic Sales Specifications", due to the special type of machining, an allowance of +/- 10% on quantity ordered should be accepted. The Buyer hereby expressly agrees to accept this allowance.
- 7.6. Due to the warehouse management and volume of goods produced by Trocellen, the following conditions shall apply for goods that remain in the Trocellen warehouse beyond the delivery date or the last day of the delivery period shown in the Customer Order Confirmation (hereinafter the "Delivery Date") due to reasons for which Trocellen is not responsible:
  - (a) Within 5 working days after the agreed Delivery Date, Trocellen will contact the Buyer to arrange collection or delivery and to warn the Buyer on the consequence of further delay as set forth under paragraph (b) below.
  - (b) After 5 working days from the agreed Delivery Date, and provided that Trocellen previously contacted the Buyer as described at (a), Trocellen will issue an invoice for the goods, including storage fees based on the storage fees common at the place of the respective Trocellen warehouse, which are deemed to be 1% of the order value for orders of EUR 10,000 or less and 0.5% of the order value for orders of more than EUR 10,000. The Buyer may provide evidence that the actual storage fees common at the place of the respective Trocellen warehouse are lower.
  - (c) After 30 days from the agreed Delivery Date and provided that Trocellen previously contacted the Buyer as described at (a) the purchase order will be cancelled. The Buyer will be invoiced for 50% of the order value as penalty payment, with a 10 days' payment term. In case of a Special Order the Buyer will be invoiced for 100% of the order value as penalty payment as such orders concern products especially produced for the Buyers needs.

If the goods are not yet ready for delivery at the Delivery Date, the date at which the goods are ready for delivery shall substitute the Delivery Date for the purpose of this clause 7.6.

- 7.7. For the avoidance of any doubt, the Buyer undertakes the delivery and transport risks when the goods are contractually supplied ex-works from the delivery place to Buyer and upon collection from the delivery place of the goods, the Buyer accepts full responsibility for the safe transit of the goods, and shall be fully responsible for any damage to the goods during transit, however caused. This responsibility remains with the Buyer even in cases where a third party collects the goods.
  - 7.8. In case the delivery is contractually granted free destination, then Trocellen will take charge of the risks of damage in connection with the goods.
  - 7.9. If Trocellen defaults on a delivery or service which it is to render or if Trocellen is unable to carry out a delivery or render the service for whatever reason, Trocellen's liability to pay compensation shall be limited as set forth in clause 10 of these General Terms and Conditions. Above clause 7.4 regarding force majeure shall remain unaffected.
- ### 8. Retention of Title
- 8.1. The following agreed retention of title serves to secure all currently existing and future receivables of Trocellen against the Buyer arising from delivery relationships which exist between the contractual partners. With current accounts, the reservation of title is deemed to be security for the balance owed to Trocellen.
  - 8.2. If a bill of exchange liability of Trocellen is created in connection with a secured receivable (e.g. as refinancing measure for the Buyer), this receivable is deemed to remain unpaid until the Buyer as drawee has paid the bill of exchange.
  - 8.3. Trocellen shall retain title to the products which are delivered to the Buyer under the delivery relationship until all secured receivables are paid in full. The products together with those taking their place pursuant to this provision and which are subject to the retention of title are hereinafter also referred to as the "Retained Products".
  - 8.4. The Buyer shall store the Retained Products for Trocellen free of charge.
  - 8.5. If Trocellen withdraws from the agreement based on statutory withdrawal rights referring to the Buyer acting in breach of contract - in particular in the case of faulty late payment - ("Case of Utilization") Trocellen is entitled to demand that the Retained Products shall be surrendered to Trocellen at the time and place indicated by Trocellen. All costs occurring in connection with surrendering the Retained Products to Trocellen (in particular but not limited to the transportation, insurance, etc.) shall be borne by Buyer.
  - 8.6. The Buyer is entitled to process and sell the Retained Products during the course of ordinary business unless and until Case of Utilization occurs (clause 8.5). Pledges and assignments as security are not permitted.
  - 8.7. In the event that the Retained Products are processed by the Buyer, it is agreed that the Retained Products are processed in the name of and on behalf of Trocellen as manufacturer and that Trocellen immediately acquires ownership or - if several owners' starting material is used or if the value of the worked material is higher than the value of the Retained Products - the co-ownership in the newly created product according to the proportion of the value of the Retained Products to the value of the newly created product. In the event that Trocellen does not acquire ownership as aforesaid, the Buyer already hereof transfers its future ownership or - in the above-mentioned proportion - co-ownership in the newly created product to Trocellen by way of security. If the Retained Products are combined with other movable things to a single movable thing or in the event of inseparable mingling of movable things and if one of the other movable things is to be considered as principle movable thing, the Buyer, as far as the Buyer is owner of the principle movable thing, transfers proportionally the co-ownership in the single movable thing, according to the proportion defined in sentence 1 of this clause 8.7, to Trocellen.
  - 8.8. In the event that the Retained Products are sold on by the Buyer, the Buyer herewith assigns the incurring receivables - pro rata corresponding to the share of co-ownership if Trocellen has co-ownership in the Retained Products - against the acquirer to Trocellen with all subsidiary rights by way of security. The same applies to other claims which substitute the Retained Products or otherwise come into existence with respect to the Retained Products, such as e.g. insurance claims or claims arising from tortious acts in the case of loss or destruction. Trocellen herewith accepts the assignment. Trocellen herewith grants the Buyer revocable authorization to collect the receivables assigned to Trocellen in the Buyer's own name on behalf of Trocellen. Trocellen can only revoke this collection authorization in the Case of Utilization.
  - 8.9. If third parties gain access to the Retained Products, in particular by means of a pledge, the Buyer shall inform them of Trocellen's ownership without undue delay and notify Trocellen thereof, so that Trocellen can enforce its rights of ownership. If the third party is not in a position to reimburse Trocellen for the court fees or out-of-court costs which Trocellen incurs in connection with the enforcement of its rights, the Buyer undertakes liability vis-à-vis Trocellen with regard to these fees and costs.
  - 8.10. Upon request of the Buyer, Trocellen is obliged to release its securities if and to the extent to which their estimated value exceeds the value of the unsettled

claims of Trocellen against the Buyer by more than 20%. However, Trocellen may choose the securities which are to be released.

- 8.11. Transfer of title of the goods shall pass over onto the Buyer on the day of due performance of Buyer's due payment obligations to Trocellen. Payment shall be deemed duly performed by Buyer if all receivables (e.g. purchase price, service fees, late payment interest, etc.) are credited on Trocellen's bank account indicated to Buyer.

### 9. Warranty

- 9.1. The delivered items must be diligently inspected by Buyer immediately at delivery to the Buyer or to the third party specified by the Buyer. Any possible claim related to product compliance or status shall be expressly indicated in writing in the delivery bill or other shipping document upon delivery, unless the claimed deviation was not detectable upon inspection as set forth in sentence 1 of this clause 9.1, then the claim must be notified in writing to Trocellen without undue delay upon detection. Any possible claim related to material quality must be notified to Trocellen without undue delay upon detection, in writing, and should indicate the number of delivery bill, batch number, item reference code and rejected quantity; the products should be kept available in whole and not used or tampered with, otherwise the guarantee provided by law or agreement is not valid. If the Buyer does not notify Trocellen in accordance with this clause 9.1 any delivered items shall be deemed accepted by the Buyer.
- 9.2. In case of a defective product Trocellen shall have the right to replace the product. If Trocellen does not choose replacement or if the replacement of a product fails, the Buyer shall have the right to demand from Trocellen at his option 1) to adequately reduce the purchase price or 2) withdraw from the agreement, provided that Trocellen receives notification about the defects according to above section 9.1.
- 9.3. In case the delivered products are acknowledged as defective by Trocellen, said products have to be returned in good conditions according to the way selected by Trocellen, with prior written authorization by Trocellen for rejection (unless otherwise agreed, e.g. in case of adequate reduction of the purchase price).
- 9.4. If a defect is based on Trocellen being at fault, the Buyer can demand compensation according to the conditions stipulated in clause 10 below.

### 10. Liability for Compensation based on Fault

- 10.1. Trocellen's liability for damage compensation, to the extent it is imputable to Trocellen, is restricted pursuant to the terms of this clause 10 irrespective of the legal grounds of the liability and in particular with regard to liability deriving from impossibility of deliveries or services, liability for default, liability for defective or incorrect delivery, liability for breach of contract, liability for infringement of duties during contract negotiations and liability for tortious acts.
- 10.2. Trocellen is not liable in the event of slight or ordinary negligence (i.e. below gross negligence) by Trocellen or by its executive bodies, statutory representatives, employees or other vicarious agents, provided it is not a case of an infringement of major contractual obligations. Major contractual obligations include the obligation to carry out deliveries in time and without defects as well as obligations to provide advice, protection and to exercise proper care, to the extent that such obligations are necessary to enable the Buyer to use the delivery item as specified in the agreement or are intended to protect the life and health of the employees of the Buyer or a third party or intended to protect the Buyer's possessions from considerable damage.
- 10.3. In the event of a slight or ordinary negligent infringement of major contractual obligations, Trocellen's liability is limited to compensation for typical, foreseeable losses, as follows: Trocellen's liability is limited to damage which Trocellen foresaw as a possible consequence of a breach of contract when the agreement was concluded or should have foreseen if due care and attention had been exercised and taking the circumstances into consideration which were or should have been familiar to Trocellen at that time. Furthermore indirect damage and consequential damage which result from defects in the delivery item are only eligible for compensation if such damage is typically to be expected when the delivery item is used as intended by the parties (meaning Trocellen and Buyer).
- 10.4. The above exclusions of liability and restrictions apply to the Trocellen's executive bodies, statutory representatives, employees and other vicarious agents to the same extent.
- 10.5. As far as Trocellen gives technical information or advice and this information or advice does not belong to the scope of services which is contractually agreed and owed by Trocellen, the information or advice shall be given free of charge, out of Trocellen's scope of business activities and consequently under the exclusion of any liability.
- 10.6. The restrictions in this clause 10 are not valid for Trocellen's liability due to intentional conduct, for guaranteed features of the delivery items, due to bodily injury, death or damage to health or according to indispensable product liability law set forth under chapter LXXII. of the Hungarian Civil Code.
- 10.7. Should these General Terms and Conditions fail to regulate the respective relationship between the parties, the parties' liability for non-performance or partial performance of their obligation shall be determined in accordance with the legislation of Hungary and/or binding agreement concluded between the parties.

### 11. Non Liability

- 11.1. Trocellen is not liable for incorrect or improper use of its products; the Buyer must ensure and check that the purchased product complies with his own requirements.
  - 11.2. For the avoidance of any doubt, the Buyer accepts full responsibility for the choice of material purchased and its suitability for processing, application, and intended use.
- ### 12. Confidentiality
- 12.1. The information related to Trocellen and its products belong solely to Trocellen, regardless of their nature and content and related support. They are strictly confidential and secret. Therefore, any divulgence or use, direct or indirect, of the said information without prior consent of Trocellen in written form is expressly prohibited.
  - 12.2. The Buyer undertakes to comply with this obligation and cause his employees and partners to comply with it.

### 13. Applicable Law and Competent Court

- 13.1. For all disputes arising from the delivery relationship, Hungarian law shall be applicable and - depending on the value at dispute - the Central District Court of Buda or the County Court of Székesfehérvár shall have exclusive jurisdiction.
  - 13.2. The United Nations Convention on Contracts for the International Sale of Goods dated April 11, 1980 (CISG) shall not apply and are hereby explicitly excluded, even if the conflict of law provisions of the jurisdiction according to the above clause 13.1 makes reference thereto.
- ### 14. Severability
- 14.1. If the agreement or these General Terms and Conditions of Sale and Delivery include omissions in the regulations, such gaps shall be filled by legally valid provisions, which the contractual partners would have agreed upon had they been aware of the gaps in the regulations and according to the economic objectives of the agreement and the purpose of these General Terms and Conditions.
  - 14.2. Should a provision in the agreement or these General Terms and Conditions be or become invalid or unenforceable either in full or in part, the validity of the remaining provisions in these General Terms and Conditions shall not be affected.

### 15. Anti-Bribery

- 15.1. Buyer expressly states that he has accepted and is in compliance with all requirements of Furukawa Electric Group's Anti-Bribery Statement which was provided to Buyer and is also available on the Internet at <http://trocellen.com/hu/anti-bribery-policy/>.