



General Terms of Purchasing of DALLI-WERKE GmbH & Co. KG

1.) Scope of Application

- 1.1) These General Terms of Purchasing (hereinafter referred to as: Purchasing Terms) apply only to contracts with businesspersons.
- 1.2) These Purchasing Terms shall apply to all goods and services, including the relevant offers from our suppliers (where they are businesspersons). The Purchasing Terms shall also apply to all future goods, services or offers of suppliers, even if they are not agreed separately. Any deviation from these terms must be confirmed by us in writing or in textual form to be effective.
- 1.3) Our Purchasing Terms shall apply exclusively. We do not recognize terms and conditions that contradict or deviate from our Purchasing Terms. This shall also apply where we unconditionally accept goods from Supplier with knowledge of Supplier's conditions that contradict or deviate from our Purchasing Terms.
- 1.4) Our Purchasing Terms shall also apply to the following affiliated companies of DALLI-WERKE GmbH & Co. KG:

WIN COSMETIC GmbH & Co. KG
WIN Aerosol GmbH & Co. KG
WIN-Warth GmbH
Dalli-De Klok B.V.
Dalli Production Romania SRL

2.) Non-Disclosure / Return of Documents

- 2.1) Supplier shall be obligated to use offers, terms of the order and any and all information and documents provided for such purpose (with the exception of information that is publicly available) exclusively for the purpose of the contract and to maintain confidentiality beyond the end of the contractual relationship.
- 2.2) Supplier shall impose the same obligation on its employees.
- 2.3) Information and documents that are provided to Supplier must be returned upon request during the term of contract, otherwise after the termination of the contract, or they must be properly destroyed upon our request, unless a statutory obligation requires Supplier to retain them permanently. If the documents are destroyed, Supplier shall confirm to us in writing that the documents have been properly destroyed.

3. Orders / Order Confirmations / Prices

- 3.1) Unless expressly agreed otherwise, only written orders are valid; orders that are placed verbally or over the phone must generally be confirmed by us in writing in order to be binding. Unless expressly agreed otherwise, Supplier shall promptly return an order confirmation for contracts, requests and orders.
- 3.2) The price shown in our order is binding, provided we do not accept a differing offer from Supplier in writing or in textual form. Subject to other differing agreements in writing or in



textual form, the price shall include delivery by Supplier according to “DDP (Incoterms 2010)”, including packaging and taking out transport insurance.

- 3.3) If Supplier submits an offer that is received in writing or in textual form, the contract is deemed to be entered into if we have submitted a declaration of receipt in writing, which is also deemed to be an order in accordance with the Purchasing Terms. Article 3.2 sentence 2 shall also apply in such event.

4. Delivery Time

- 4.1) The delivery time listed in the order is binding and must be kept, absolutely. Timeliness is deemed to be based on our receipt of the goods. Delivery delays must be announced by Supplier promptly, stating the reasons and the anticipated duration of the delay.
- 4.2) After expiry of the agreed delivery day, Supplier shall be in default without requiring a warning notice from us. In the event of default, we shall be entitled to the statutory claims without limitation. In particular, we shall be authorized to request compensation for damages instead of performance and rescission after the end of a reasonable grace period.
- 4.3) If the delivery deadline is not kept, we shall be authorized to invoice Supplier for liquidated damages of 1% of the total order per day, but not more than 10% of the total order, or to reduce the invoice amount. We reserve the right to assert further damages. Any damage incurred from default of delivery (e.g., costs for standstill of machines) shall also be invoiced.
- 4.4) Partial deliveries and early delivery shall be permitted only after we issue prior written consent, which shall not obligate us to make partial or advance payments.
- 4.5) We shall be authorized to refuse acceptance of goods that are delivered prior to the delivery date listed in the order or that exceed the order volume, and to return them to Supplier at its expense and risk or to store them with third parties.

5. Transfer of Risk / Documents

- 5.1) Delivery is to be made “DDP” (Incoterms 2010) to the delivery address stated in the respective order, unless agreed otherwise in writing or in textual form. The risk of accidental destruction or possible deterioration of the goods shall only transfer to us, even where shipment has been agreed, if the goods are transferred at the agreed destination.
- 5.2) Supplier shall be required to list our material number, order number, material designation, volume and the production date of the packaging on every package. Order and item numbers, material number and designation must be stated in the shipment and delivery papers as well as the invoices.

6. Quality Requirements

The delivered goods must meet the agreed quality. Supplier undertakes to promptly notify to us in writing or in textual form of any and all changes to the composition of the production and quality control and those of the subcontractor of the goods delivered to us in order to maintain an identical quality.



7. Warranty for Material Defects

- 7.1) In the event of defects, we shall be entitled to the statutory claims without limit.
- 7.2) We shall inspect the goods within a reasonable period for any deviations from quality or quantity. Objections for defects shall be deemed to be lodged in a timely manner, as long as they were sent to Supplier within a period of 2 weeks after delivery of the goods and are received within another 3 days. Supplier shall bear the burden of proof that the objection was not received. In the event of latent defects, the objection notice period shall commence 2 weeks after we have become aware of the defect.
- 7.3) If the goods exhibit defects at the time of delivery, we shall be authorized to request correction of the defect or replacement delivery, at our request. Supplier shall be required to cover any and all expenses necessary to correct the defects or for the replacement delivery. After a reasonable grace period has expired unsuccessfully, we may either lower the purchase price or rescind the contract. Additionally, we expressly reserve the right to compensation for damages and to assert further claims for expenses. Irrespective thereof, we may invoice a flat fee of EUR 150 to process the complaint. Supplier shall be entitled to prove that no expenses or lower expenses were incurred for processing the complaint.
- 7.4) The statutory provisions shall apply to the statute of limitation of claims for defects. Refusal within the meaning of Section 214(1) German Civil Code is to be asserted in writing.
- 7.5) In urgent cases, we shall be authorized to carry out corrective measures ourselves or by a third party at Supplier's expense, if Supplier has failed to make the corrections in a timely manner. We shall also be authorized in urgent cases to purchase replacement deliveries from third parties, if Supplier fails to correct the defect in a timely manner. Additional expenses incurred therefrom shall also be borne by Supplier.
- 7.6) We do not waive any warranty claims by accepting or approving samples or specimen submitted.
- 7.7) If there are events that are outside our sphere of influence (e.g., lawful strikes and lockouts, unanticipated operational interruptions, force majeure conditions), we shall be released from our performance and/or collaboration obligations for the duration and scope of the events, as long as we were unable to avert such interferences with reasonable resources.

8. Warranty for Defects of Title

Supplier warrants and represents that any and all items in Supplier's possession that are subject to the contracts are fully owned by Supplier and that they are not encumbered by any third-party rights (e.g., liens).

9. No Violation of Laws and of Third-Party Rights

Supplier warrants and represents that industrial property rights and other third-party rights are not infringed by delivery and use of the delivered goods and/or services. If we are held liable for statutory violations due to use, re-sale, re-processing of the delivered material or the delivered items and/or services of Supplier, Supplier shall be obligated to pay us the full compensation for damages.



10. Product Liability / Indemnification / Liability Insurance

- 10.1) If Supplier is responsible for a product defect which is traced back to a faulty product that was delivered by Supplier, Supplier shall be obligated to indemnify us from third party claims to compensation for damages upon first request.
- 10.2) Within the scope of liability as set forth in these Purchasing Terms, Supplier shall also be obligated to reimburse any expenses as set forth in Section 683, 670 German Civil Code and Sections 830, 840, 426 German Civil Code, which arise out of or in connection with a recall campaign we conduct. We shall notify Supplier - to the degree possible and reasonable - about the content and scope of any such measures. Other statutory claims shall remain unaffected.
- 10.3) Supplier undertakes to maintain product liability insurance with a total coverage of EUR 5 million per personal injury/material damage. If we are entitled to claims to compensation exceeding such total coverage, we reserve the right to assert them irrespective of the above provision.

11. Invoices

- 11.1) Please note the document "Central Receipt of Invoices", which provides information about the procedure for receiving invoices and the required information on the invoices available on our website www.dalli-group.com.
- 11.2) Payment periods shall run in accordance with the conditions set forth in the order. The payment period shall commence on the first day after receipt of the reviewable invoice, but not prior to completion of performance. Timeliness of keeping the payment period is deemed to be the date when we issue the order to transfer funds. If on a case-by-case basis no agreement has been reached in writing or in textual form, payment is to be made generally within 30 days from delivery and receipt of the invoice with a 3% discount.
- 11.3) Irrespective of Article 11.2 sentence 4, we shall not default on payment without a reminder notice from Supplier. If compensation for damages is asserted in the event of default, we reserve the right to prove a lower damage was incurred, including with respect to the statutory default interest. Otherwise, the statutory provisions shall apply.
- 11.4) Our unconditional payment of the invoice shall not include any recognition of the Supplier's performance to be contractual. We shall be entitled to a right of offset and a right of retention to the statutory limit.

12. Assignment, Set-off

- 12.1) Supplier shall be permitted to assign rights and claims arising out of contracts with us only with our written consent. This shall not apply with respect to monetary claims.
- 12.2) Set-off by Supplier shall only be permitted with other claims that are legally established, ready for decision or undisputed.

13. Retention of Title

We do not recognize Supplier's retention of title.



14. Changes to Delivery Item

If Supplier improves or changes the delivery item during the ongoing term of contract, Supplier shall be required to notify us thereof promptly and to offer us the option of selecting the improved or changed design instead of the contractual design.

15. Code of Conduct for Suppliers

Our Code of Conduct for Suppliers as amended for the respective contractual period, available at www.dalli-group.com, is an integral part of these Purchasing Terms.

16. Place of Performance / Legal Venue / Applicable Law

16.1) Place of performance shall be the delivery address designated in the respective order.

16.2) Legal venue is Aachen, Germany.

16.3) The agreement shall be governed by and construed in accordance with the laws of the Federal Republic of Germany in exclusion of its conflict of laws provisions and the United Nations Convention on the International Sale of Goods.