

KE General Terms and Conditions

PART I

§ 1 General provisions

(1) Our terms and conditions of business apply exclusively; we do not recognize any conflicting or deviating conditions of the customer, unless we have expressly agreed to their validity in writing. Our terms and conditions of business shall also apply if we carry out delivery to the customer without reservation in the knowledge that the customer's terms and conditions conflict with or deviate from our terms and conditions of business.

(2) All agreements made between us and the customer for the purpose of executing the contract are laid down in writing in the contract, the offer letter, the order confirmation and these conditions. In addition to the relevant DIN standards, additional contractual conditions result in particular from the standards for tubular glass containers - quality assurance of pharmaceutical packaging materials - of the German Working Group for Packaging Materials - AKP e.V., in the respectively valid version, or from our quality assurance agreement, technical terms of delivery or/and respectively valid price lists.

(3) These terms and conditions of business shall only apply vis-à-vis those mentioned in § 310 para. 1 BGB (German Civil Code).

(4) In addition, the special best practices listed under Part II shall apply to contracts for work and services.

§ 2 Offer and offer documents

(1) If the preliminary inquiry is to be qualified according to § 145 BGB, we can accept it within two weeks.

(2) Our offers are always subject to confirmation. Orders are only binding for us when they are confirmed by us in writing. In the event of immediate delivery, the delivery note or the goods invoice shall also be deemed confirmation of order.

A contract is only concluded upon written order confirmation by Karl Eschrich GmbH (hereinafter referred to as "KE").

(3) Unless otherwise agreed, documents belonging to the offer, such as illustrations, drawings,

calculations, weights and dimensions, are only approximate if deviations are customary in trade or for technical reasons and, in particular, are due to material properties and tolerances. This also applies to technical changes and improvements that do not change the external appearance or functionality.

(4) We reserve ownership rights, copyrights and other proprietary rights to illustrations, drawings, calculations and other documents. This applies in particular to such written documents that are designated as "confidential". The customer requires our express written consent before passing them on to third parties.

(5) Information in offers (e.g. information on usability) is not considered as guarantees in case of doubt, unless such information has been expressly accepted by us. For technical data of external manufacturers or suppliers in the customer's supply chain, we can only assume a guarantee in case of a special agreement (QSA - quality assurance agreement). These details, in particular also those concerning performance and usability of the delivered products, as well as DIN standards (DIN German industry standards), shall only be regarded as an agreement on quality within the meaning of § 434 para. 1 BGB (German Civil Code) if we expressly declare this in writing. Unless otherwise agreed, samples and specimens shall be regarded as approximate illustrations of quality, dimensions and colors.

(6) If the offer is prepared on the basis of documents provided by the customer, these documents shall only be binding if reference is made to them in the offer.

§ 3 Prices - Terms of payment

(1) Unless otherwise stated in the order confirmation, our prices are quoted in euros (€) "delivered at place" or "delivered duty paid", excluding proof samples below a minimum quantity to be agreed; this will be invoiced separately. Additional expenses for unforeseen work will be charged additionally.

(2) The legal value added tax is not included in our prices; it is shown separately in the invoice in the statutory amount on the day of invoicing.

(3) Unless otherwise agreed in writing, our invoices are due and payable within 30 days of the invoice date. After expiry of the 30-day payment period, the outstanding amounts will be debited with the

statutory default interest of 10%. Complaints have no influence on the timeliness of our invoices. Offsetting against counterclaims is not permitted.

(4) If the customer is in arrears with payments, we are entitled to make the entire remaining debt due. In this case, we are also entitled to demand advance payment or the provision of security.

(5) The customer is only entitled to offsetting rights if his counterclaims are legally established, undisputed or acknowledged by us. In addition, he is entitled to exercise a right of retention insofar as his counterclaim is based on the same contractual relationship.

(6) The legal regulations concerning the consequences of default in payment shall apply.

§ 4 Price changes

(1) Price changes are permissible if there are more than 6 weeks between the conclusion of the contract and the agreed delivery date. If wages and salaries increase thereafter until the completion of the delivery, the material costs, consumables and supplies and/or the market purchase prices, we shall reserve the right to claim

the right to increase the price appropriately in line with cost increases. We will provide evidence of these to the customer upon request.

(2) We reserve the right to make price adjustments, e.g. due to external factors such as tolls and or respectively applicable energy surcharges of the glass industry. These surcharges are usually per kg glass weight and depend on the price of crude oil and are determined or adjusted on a quarterly basis in the glass industry. For this possible settlement, the current rate at the time of delivery is decisive, which can change depending on the price development.

§ 5 Cancellation costs

If the customer withdraws from the contract without justification, we can demand 10% of the net sales price (based on the minimum purchase quantity) for the costs incurred by the processing of the order and for lost profit, irrespective of the possibility of demanding fulfilment of the contract or asserting a higher actual damage. The customer reserves the right to prove a lesser damage.

§ 6 Deliveries and services

(1) The beginning of the delivery period stated by us presupposes the prior clarification of all technical and processing issues and the customer has provided all documents to be procured by him.

(2) Delivery dates or deadlines shall be met as far as possible. Unless otherwise agreed, they are non-binding information.

(3) If a deadline cannot be met due to force majeure, e.g. epidemic, pandemic, war, terrorism or similar events beyond the control of KE, e.g. strike or lock-out, the deadlines shall be extended by the periods during which the aforementioned event or its effects persist.

(4) The delivery period shall be deemed to have been met upon timely notification of readiness for dispatch if dispatch is impossible through no fault of KE.

(5) In the case of call-off orders, KE shall be entitled to demand acceptance of the quantity not yet accepted after expiry of the agreed acceptance date, setting a 14-day grace period, and to invoice this quantity or claim damages for non-performance.

(6) If KE is in default, the customer must set a grace period of at least 30 days. After expiry of this period, the customer may withdraw from the contract.

(7) If the customer is in default of acceptance or culpably violates other duties to cooperate, we are entitled to claim compensation for the damage incurred to us in this respect, including any additional expenses.

(8) In the event of acceptance or debtor default, the risk of accidental loss or accidental damage to the goods shall pass to the customer.

(9) We shall be liable in accordance with the statutory provisions insofar as the underlying purchase contract is a firm deal within the meaning of § 286 para. 2 No. 4 BGB or § 376 HGB. The same applies if the customer is entitled to assert the discontinuation of his interest in the further fulfilment of the contract as a result of a delivery delay for which we are responsible. In this case, our liability is limited to the foreseeable, typically occurring damage if the delay in delivery is not due to an intentional breach of contract for which we are responsible.

(10) We shall also be liable in accordance with the legal provisions if the delay in delivery is due to an intentional or grossly negligent breach of contract for which we are responsible. In the event of a grossly negligent breach of contract, the liability for damages is limited to the foreseeable, typically occurring damage.

(11) We shall also be liable in accordance with the statutory provisions if the delay in delivery for which we are responsible is due to a culpable breach of an essential contractual obligation; in this case, however, our liability for damages shall be limited to the foreseeable, typically occurring damage.

Essential contractual obligations are such obligations, the fulfilment of which is essential for the proper execution of the contract and on whose compliance the customer regularly relies and may rely.

(12) In all other respects, we shall be liable in the event of a delay in delivery amounting to a maximum of 5% of the delivery value. We are liable according to the legal regulations, if a delay in delivery is due to a breach of contract for which we are responsible. Partial deliveries are permissible. The quantities ordered can be up to 10 % higher or lower.

(13) Any further liability for a delay in delivery for which we are responsible is excluded. Further legal claims of the customer, which he is entitled to in addition to the claim due to delay in delivery, remain reserved.

§ 7 Scope of delivery

(1) The scope of delivery is determined by our written order confirmation. We reserve the right to an excess or short delivery of 10%, which we charge accordingly.

(2) We reserve the right to make changes in production or form during the delivery period, which are attributable to improvements in technology or to legal requirements, provided that the delivery item is not significantly changed and the changes are reasonable for the customer.

(3) Insofar as tools must be manufactured for production which are based on drawings and technical specifications of the Purchaser, no rights in respect of the tools manufactured shall arise for the benefit of the Purchaser.

(4) We reserve ownership rights and copyrights to all documents, such as calculations, drawings, etc., provided to the customer in connection with the placing of the order. These documents may not be made accessible to third parties, unless we give our express written consent to the customer.

§ 8 Acceptance and inspection of the delivery

(1) Unless otherwise agreed, the place of performance for the delivery is KE's place of business. The risk shall pass to the customer as soon as KE hands over the goods to the carrier.

(2) The customer must immediately inspect the delivery for completeness, conformity with the delivery terms and for externally visible defects and immediately assert recognizable deviations and defects in writing.

(3) Transport damage or shortfalls recognizable on delivery shall be noted on the acknowledgement of receipt of the transport company in accordance with § 438 HGB (German Commercial Code).

§ 9 Dispatch - Transfer of Risk - Packaging

(1) Unless otherwise stated in the order confirmation, delivery "ex works" is agreed.

The risk passes to the customer when the goods are handed over to the carrier - irrespective of whether he has been commissioned by the customer, by us or by a third party. This also applies to partial deliveries and free deliveries. For deliveries with our vehicles, the risk passes to the customer as soon as the goods are made available at the contractually agreed location.

(2) If the customer so wishes, we will take out transport insurance for the delivery; the costs incurred in this respect shall be borne by the customer.

(3) If delivery is made by our vehicle and our personnel, the goods shall be deemed to have been handed over at the latest when they are available to the recipient in front of the delivery point on a paved roadway and on the wagon. If, in the opinion of the deliverer, access to the delivery point is not passable or not without risk to the goods to be delivered, the goods shall be handed over where the vehicle can be started up and taken off without any problems. If

the buyer is not prepared to accept the goods at this location, he shall be in default of acceptance.

(4) Unloading of the delivered goods is the sole responsibility of the customer. If the customer does not provide the personnel required for unloading and the necessary unloading equipment, we shall be entitled to charge waiting times in accordance with the German Road Traffic Ordinance KVO or the local freight transport tariff GNT. If the customer requires assistance with unloading, including the provision of unloading equipment, we may, insofar as the measure is feasible for us, charge the customer for this additional work. Notwithstanding this, there is no legal obligation on our part to assist with unloading. We shall only be liable for damage caused to the delivered goods and other legal assets by our personnel during unloading in the event of willful intent or gross negligence. This does not apply if the damage consists of injury to life, body or health.

(5) Partial services or partial deliveries are permissible to a reasonable extent for the customer and may be invoiced by us.

(6) Reusable packaging / pallets are only made available to the customer on loan.

With regard to pallets supplied by us, reference is made to the special conditions for the delivery of goods with returnable pallets, which are part of every contract. They will be sent on request. Disposable packaging / pallets become the property of the customer.

§ 10 Liability and breaches of duty

(1) In the event of contractual breaches of duty, with the exception of defective goods delivered, the customer may only withdraw from the contract and claim damages if a reasonable period of time set by him for us to provide the contractual service, but at least two weeks, has expired without the service having been provided by us in accordance with the contract.

(2) We shall only be liable for damages arising from contractual breaches of duty (default, impossibility, defectiveness, breach of ancillary contractual obligations) if the breach of duty is based on intentional or grossly negligent action, unless the breached contractual obligation is an essential contractual obligation. Force majeure is excluded in this sense from breach of duty.

(3) Insofar as we are liable for damage caused by intentional or grossly negligent breach of a contractual obligation or culpable breach of an essential contractual obligation, our liability is limited to the foreseeable and contract-typical damage, at most to the indemnification of our public liability insurance. If our business liability insurance does not occur or does not occur in full, we shall be liable up to the amount of the sum insured.

(4) As far as our liability is excluded (e.g. in case of force majeure) or limited, this also applies to the personal liability of our employees, workers, co-workers, representatives and vicarious agents.

(5) These regulations do not affect the statutory rules on the burden of proof.

§ 11 Liability for defects

(1) Claims of the customer for defects presuppose that he has properly fulfilled his obligations to examine and give notice of defects in accordance with § 377 HGB (German Commercial Code). In particular because of the special properties of our goods, especially glass, and the risk of damage, the customer is obliged to inspect the goods delivered by us immediately, carefully and completely.

(2) Deviations in dimensions, thicknesses, weights or color shades due to manufacture do not constitute a defect, provided that the tolerances customary in the industry and/or the relevant DIN standards are not exceeded. This applies in particular in the event that the functional properties are not impaired.

(3) Physical properties of our products cannot be claimed for, which occur during the processing process at the customer, e.g.

- extreme heat
- surface damage
- violent action
- through hard shocks

Furthermore, if in the manufacturing process

- a process-related change or a dot image is produced in the silkscreen, but the imprint is legible or clearly recognizable.

(4) We accept no liability for damage resulting from unsuitable or improper use, incorrect processing, assembly, commissioning, modification, incorrect or

negligent treatment or natural wear and tear not carried out by us and without our consent. The same applies if our vials have not been used without our operating instructions (e.g. validation of filling machines with our machinery) as well as the valid and relevant processing guidelines. The knowledge of the physical behavior and properties of different types of glass or glass tubes (hydrolytic glass classes and borosilicate glass) in accordance with the state of the art is assumed on the part of the customer.

(5) The customer shall be responsible for the required compatibility testing of all vials used in further production processes or supply chains. In particular, we are not liable for insufficient compatibility of our vials with foreign materials, seals and closures or with filling machines not validated with our machinery, unless their use has been expressly approved by us.

If maintenance, inspection or adjustment work on the customer's own machinery (e.g. filling machine or similar) is required to ensure that the goods can be further processed properly, the customer must carry this out in good time at his own expense.

(6) The customer is obliged to give us the opportunity to determine the defect complained of on site or, upon our request, to make the object complained of or a sample thereof available to us. In the event of transport damage or breakage, the goods must be left in the condition in which they were when the defect was detected.

(7) If there is a defect in the goods, the customer is entitled to subsequent performance in the form of a defect remedy or to delivery of a new defect-free item. We shall be entitled to choose between the two possible forms of subsequent performance described.

(8) In the event of removal of defects, we are obliged to bear all expenses required for the purpose of removal of the defect, insofar as these are not increased by the goods being taken to a place other than the place of performance. Costs of installation of the goods within the scope of subsequent performance are to be borne by the buyer himself. This does not apply if we are at fault.

(9) If the subsequent performance fails, the customer is entitled, at his discretion, to demand withdrawal or reduction of the purchase price.

(10) We shall be liable in accordance with the statutory provisions if the customer asserts claim for damages based on intent or gross negligence. As far as we are not accused of an intentional breach of duty, our liability for damages is limited to the foreseeable, typically occurring damage.

(11) We shall be liable in accordance with the statutory provisions if we culpably breach an essential contractual obligation; in this case, however, our liability for damages shall be limited to the foreseeable, typically occurring damage. Essential contractual obligations are those whose fulfilment is essential for the proper execution of the contract and on whose compliance the customer may regularly rely and rely.

(12) The limitation period for claims for defects is 4 months, calculated from the transfer of risk.

§ 12 Abnormal stress

Abnormal stress is when glass and systems are exposed to high thermal, static or dynamic loads. Abnormal loads must be listed in detail when requesting a quotation, as these require special measures for the use of the vials and their shape. If the customer fails to provide this information, we expressly assume no warranty for resulting defects.

§ 13 Total liability

(1) The customer / supplier hereby accepts his unlimited and sole responsibility for the content of the contractual product as well as for any claims arising from product liability, provided that there is sufficient proof that the cause for such claims emanates from products supplied by the customer / supplier.

(2) The customer / supplier is responsible for all claims asserted by third parties due to personal injury, material damage or financial loss which are attributable to a defective product delivered by him.

(3) A further liability for damages than provided for in §§ 6 and 10 is excluded - irrespective of the legal nature of the asserted claim. This applies in particular to claims for damages arising from culpa in contrahendo, other breaches of duty or tortious claims for compensation for property damage.

(4) The limitation according to paragraph (1) shall also apply if the customer claims reimbursement of

futile expenses instead of damages instead of performance.

(5) Insofar as our liability for damages is excluded or limited, this shall also apply with regard to the personal liability for damages of our employees, workers, representatives and vicarious agents.

(6) The customer's claims for damages against us due to the defect shall only exist within the scope of the following liability regulations.

(7) Furthermore, the liability committee shall not apply in cases in which liability is assumed under the Product Liability Act for personal injury or property damage to privately used objects in the event of defects in the delivery item.

§ 14 Retention of title

(1) We reserve title to the goods until receipt of all payments arising from the supply contract. In the event of breach of contract by the customer, in particular in the event of default in payment, we shall be entitled to take back the goods after setting a reasonable deadline in advance. All costs resulting from the take-back must be borne by the customer. If we take back or seize the goods, this shall constitute a withdrawal from the contract. After taking back the goods, we shall be entitled to sell them; the proceeds from the sale shall be set off against the customer's obligations - less reasonable costs of sale.

(2) The customer is obliged to treat the goods with care; in particular, he is obliged to insure them at his own expense against damage such as fire, water, theft and breakage at replacement value.

(3) In the event of seizures or other interventions by third parties, the customer must inform us immediately in writing so that we can enforce our property rights. If the third party is not in a position to reimburse us for the judicial and extrajudicial costs incurred in this connection, the customer shall be liable for this.

(4) The customer is entitled to resell the goods in the ordinary course of business; he hereby assigns to us as security all claims in the amount of the final invoice amount (including VAT) of our claim which accrue to him against his customers or third parties from the resale, irrespective of whether the goods were resold without or after processing; we hereby accept the assignment. The customer remains

authorized to collect the claim even after the assignment. Our authority to collect the claim ourselves remains unaffected by this. However, we undertake not to collect the claim as long as the customer meets his payment obligations from the proceeds collected, is not in default of payment and no petition for the opening of settlement proceedings or

insolvency proceedings have been filed or payments have not been suspended. If this is the case, we can demand that the customer informs us of the assigned claims and their debtors, provides us with all information necessary for collection, hands over the relevant documents and notifies the debtors (third parties) of the assignment.

(5) The processing or transformation of the goods by the customer is always carried out for us. If the goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods (final invoice amount, including VAT) to the other processed items at the time of processing. The same applies to the object created by processing as to the goods delivered under reservation of title.

(6) If the goods are inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the goods (final invoice amount, including VAT) to the other mixed items at the time of mixing. If the mixing is carried out in such a way that the customer's item is to be regarded as the main item, it shall be deemed agreed that the customer assigns to us proportionate co-ownership; we hereby accept the transfer. The customer shall keep the sole ownership or co-ownership thus created for us.

(7) The customer assigns to us by way of security the claims that arise against a third party by combining the goods with real estate.

(8) We undertake to release the securities to which we are entitled insofar as the realizable value of our securities exceeds the claims to be secured by more than 10%; the selection of the securities to be released is incumbent on us.

§ 15 Warranty

Our product quality meets the requirements of currently valid error evaluation lists for tubular glass containers – German quality assurance of

pharmaceutical packaging materials – AKP e.V.
Working Group Packaging Materials.

The customer is expressly informed that the delivered goods may contain a proportion of defective units. By placing the order, the customer agrees to the limit values for the proportion of defective units and accepts the goods, provided that the permissible limit values are not exceeded. A defect of the goods delivered by us exists if they do not have the agreed quality. If no such agreement has been made, a defect exists if the goods are not suitable for the contractually stipulated use, otherwise if they are not suitable for normal use. An insignificant reduction of the value or the suitability for the contractually assumed or usual use does not represent a defect.

The customer must check the products delivered by us immediately after delivery for their proper condition and inform us of any existing defects. Furnace defects must be claimed within 14 calendar days after delivery at the latest. Non-obvious defects must be reported in writing immediately after their discovery. Section § 377 HGB (German Commercial Code) also applies to merchants.

The warranty period for rectification of defects, replacement delivery, withdrawal and reduction are 4 months, calculated from the transfer of risk.

§ 16 Data protection

The customer agrees that we store data from the contractual relationship for the purpose of data processing and reserve the right to transfer the data to third parties insofar as this is necessary for the purpose of contract processing - in particular passing on order data to suppliers - or for billing purposes. (see our privacy policy at: <https://www.karl-eschrich.de/datenschutzerklaerung.html>)

§ 17 Applicable law and place of jurisdiction

(1) If the customer falls within the group of persons named in § 310 para. 1 BGB (German Civil Code), our place of business shall be the place of jurisdiction; however, we shall also be entitled to sue the customer at the court of his place of residence.

(2) The law of the Federal Republic of Germany shall apply; the United Nations Convention on Contracts for the International Sale of Goods - CISG shall not apply.

(3) Unless otherwise stated in the order confirmation, our place of business is the place of performance.

(4) The exclusive place of jurisdiction for all disputes arising from the business relationship between KE and the customer / supplier is KE's registered office. KE is also entitled to bring an action at the customer's / supplier's registered office and at any other permissible place of jurisdiction. Arbitration clauses are contradicted.

Part II - Special provisions for contracts for work and services and contracts for work and materials

Part II

§ 18 Contracts for work and materials

(1) General: For contracts for work and services and contracts for work and materials, the following special provisions shall apply in the following order, unless provisions of sales law and thus §§ 1-17 are applicable:

- Our General Terms and Conditions Part I (§ 1 - 17)
- Our General Terms and Conditions Part II (§ 18 - 19)
- The Technical Guidelines for Error Evaluation Lists for Tubular Glass Containers – German Quality Assurance of Pharmaceutical Packaging Materials – AKP e.V. Working Group Packaging Materials.
- Other relevant technical regulations
- The generally accepted rules of state-of-the-art technology.

(2) Information provided by the customer: Errors in the documents provided by the customer shall be at the customer's expense if they cannot be identified within the scope of a check.

(3) Reservation of adjustment: Our prices are for uninterrupted processing of the services to be provided by us during normal working hours.

Unless otherwise agreed in the contract, the additional costs incurred shall be charged for the overtime, nighttime, Sunday and holiday hours performed at the request of the customer as well as work under unforeseen difficult conditions. This also applies if additional services not listed in the offer are to be provided at the request of the customer.

(4) Payment: Payment of the invoice amount shall be made without deduction. Invoices up to 500 Euro are payable immediately, partial payments within 12 working days after receipt.

(5) Manufacturer's warranty: Claims arising from a warranty of the respective manufacturer beyond our warranty, e.g. for special glass tubes, are passed on to the customer. In the event of delivery of replacement goods, the remaining term of the original guarantee shall apply.

(6) Transfer of risk: With regard to materials, paints, materials or stoppers supplied by suppliers for the production of vials, which cannot be further processed due to non-scheduled advance performance or other circumstances for which the purchaser is responsible, the risk shall pass to the purchaser as soon as he has been put in default of acceptance.

(7) Limitation of actions: The limitation periods for contracts for work and services according to § 634a Paragraph 1 No. 2 BGB or contracts for the supply of work and services remain unaffected.

(8) Production release by the customer: If the production is released by the customer or a representative commissioned by the customer, any joint liability on our part for the consequences of faulty execution planning shall lapse, unless there is a case of intent or gross negligence on our part.

(9) Collateral: If a third party undertakes vis-à-vis us to assume liability for the fulfilment of our contractor's warranty obligations (warranty guarantee), this guarantee cannot be reclaimed before expiry of the warranty period, unless another period has been expressly agreed. The same applies to security retentions and to all other types of security for our warranty claims.

§ 19 Miscellaneous

Transfers of rights and obligations of the customer from the contract concluded with us require our written consent to become effective.

Should one of the above provisions be or become invalid, the validity of the other provisions shall remain unaffected.