# **General Terms and Conditions of KURZ TRANSFER PRODUCTS L.P. August 2019 version**

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#### 1. GENERAL.

"Seller" herein refers to KURZ TRANSFER PRODUCTS, LP; "Contract" refers to these Terms and Conditions of Sale together with (a) the material on the sales order, invoice or otherwise included on face side hereof, (b) the webshop order confirmed by Seller or (c) the associated supply agreement to which these terms and conditions are appended or are otherwise incorporated into by reference; "Buyer" refers to the company or other person named as such in the Contract; and "Goods" herein refers to the items of tangible personal property being purchased and sold under the terms of the Contract. The terms set forth in this Contract supersede any contrary provision presented by the Buyer or customer identified in the Contract or any other person or entity in any written form or otherwise and may not be changed in any manner other than a writing signed by an authorized representative of Seller. To the extent that this Contract constitutes an acceptance by Seller of an offer by Buyer, the acceptance is expressly conditioned on Buyer's assent to terms and conditions herein which are additional or different to those presented by Seller. To the extent that any portion of this Contract constitutes an offer, acceptance is expressly limited to the terms of the offer.

#### 2. DELIVERY.

The Goods will be shipped as directed in the Contract or, absent such direction, to the address of Buyer shown in the Contract. Unless otherwise stated in this Contract, the delivery terms will be EXW (EX WORKS) Incoterms® 2010 Seller's warehouse or facility from which shipment is made. Buyer shall specify to Seller, in writing, in ample time prior to shipment the carrier Buyer desires to carry the Goods, failing which, Seller may select any recognized common carrier without responsibility or liability to Buyer for such selection. Seller shall have no obligation to arrange for any valuation of the Goods over and above the valuation provided in the carrier's tariffs or other rate schedules at the lowest rates of carriage. Buyer acknowledges that the risk of loss shall pass to Buyer upon the common carrier taking possession of the Goods and that Buyer shall have the sole responsibility to insure the Goods against loss. Buyer must submit claims for shortages and/or incorrect Goods to Seller in writing within seven (7) business days after receipt of shipment.

### 3. DELIVERY DATE(S).

If the Contract is marked to show that the Goods are of Seller's manufacture, in whole or in part, delivery date(s) are determined from the date this Contract becomes a contract and are estimates of approximate dates of delivery, not a guarantee of a particular day of delivery. In such cases, Seller's obligation with respect to delivery is limited to placing an order for the Goods and using all reasonable means to obtain the goods in time to meet the approximate delivery date(s) specified in this Contract.

#### 4. TERMS OF PAYMENT.

Unless otherwise stated in this Contract, the payment terms shall be that Buyer shall: (i) if applicable, pay the amount of the down payment, if any, stated in the Contract, in cash, at or before the time when this Contract becomes binding; (ii) pay such other amounts, at such other times, as the Contract requires prior to shipment of the Goods; and (iii) provided that Buyer meets Seller's credit standards at the time of delivery of any part of the Goods, Buyer shall pay the balance owing (or the entire sales price, if there is no down payment) net 30 days after shipment. If, at any time or from time to time, Seller believes that the prospect of payment or performance of any obligations of Buyer becomes impaired, Buyer is late in its payments to Seller or if Buyer falls below Seller's credit standards in Seller's sole discretion, Seller may require all deliveries of Goods to be made on a cash-on-demand (C.O.D.) basis.

#### **5. SECURITY FOR PRICE.**

To secure payment in full for the Goods and other charges which may be due and owing hereunder, and in addition to Buyer's retention of a purchase money security interest in the Goods, Buyer hereby grants to Seller a first lien on, and security interest in, the Goods and all products and proceeds thereof together with all insurance proceeds with respect thereto. It is intended that this provision shall constitute a security agreement under the Uniform Commercial Code of the State of North Carolina (the "Code") and Seller shall be entitled to all rights and protections afforded to a secured party under the Code. Buyer hereby grants to Seller a power of attorney with full power of substitution to execute on behalf of Buyer such UCC-1 Financing Statements as may be necessary or appropriate to perfect Seller's security interest in the Goods. If Seller repossesses the Goods, Seller may resell the Goods after ten (10) days prior written notice to Buyer.

#### 6. LIMITED WARRANTY.

- (a) The Goods covered hereby constitute "hot stamping foils," heat transfer foils and products, decorative sheets and foils and other similar products, accordingly, Buyer acknowledges and agrees that:
- (i) Such Goods are manufactured in relation to known color standards within an agreed upon color variation commonly referred to as a "commercial match", accordingly, some color variations will occur from roll to roll or from Contract to Contract and provided that such Goods are manufactured in conformity with such "commercial match" such Goods shall be deemed to be "conforming goods" as defined under the Code:
- (ii) Such Goods are manufactured according to established product specifications in regard to adhesion, abrasion resistance, ultra violet fade, etc. The standards published by Seller are averages under laboratory conditions only and are accurate as stated, however such statements are not intended to project exact performance standards to be achieved by Buyer with respect to such items and any implied warranty with respect thereto is hereby expressly disclaimed;
- (iii) All statements, technical information and recommendations concerning the Goods sold or samples of such Goods have been provided by Seller to Buyer in response to Buyer's stated intended application therefore as set forth in the Contract or otherwise and with the understanding that Buyer has independently determined the suitability of such Goods for such intended application;
- (iv) Buyer acknowledges and agrees that Seller shall have no liability or responsibility whatsoever to Buyer, Buyer's customers, secondary processors, the customers of such secondary processors, or any other person in the event that the Goods are utilized (x) in an application other than that which was intended by Buyer as of the date hereof, or are applied to substrate in a manner inconsistent with such statements (regardless of the materiality of such inconsistency), technical information and recommendations, or (y) by Buyer's purchasers (including the subsequent purchasers of such purchasers) in further manufacturing process, other than if such manufacturing processes and related materials with respect to such Goods have been fully and completely disclosed in writing to Seller and the subsequent manufacturing processes and related materials have been conducted, utilized and applied as contemplated; and
- (v) Buyer acknowledges and agrees that to the extent available, (x) Seller has advised and made available to Buyer, or Buyer's representatives, technical information describing such Goods and their applications in the form of Technical Data Sheets to the Goods, and (y) the information set forth in such

Technical Data Sheets is advisory only and DOES NOT CONSTITUTE ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

- (b) Provided that the Goods are properly stored and are properly applied to the appropriate substrate and utilized in the application for which such Goods were intended, Seller warrants for a period of 6 months following the shipment of the Goods that the Goods will be free from defects in material and workmanship and will conform to the applicable specifications as agreed to by Seller. Should any of the Goods fail to conform with such limited warranty, at Seller's election, Seller's liability shall be limited solely to either repair or replace such defective Goods. OTHER THAN AS SET FORTH HEREIN, SELLER DOES NOT MAKE AND HEREBY EXPRESSLY DISCLAIMS THE EXISTENCE OF, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY OF ANY KIND OR NATURE WHATSOEVER WITH RESPECT TO SUCH GOODS, WHETHER OR NOT THE PURPOSE HAS BEEN DISCLOSED TO SELLER IN SPECIFICATIONS, DRAWINGS OR OTHERWISE AND WHETHER OR NOT SELLER'S GOOD(S) ARE SPECIFICALLY DESIGNED AND/OR MANUFACTURED BY SELLER FOR BUYER'S USE OR PURPOSE. IN NO EVENT SHALL SELLER BE RESPONSIBLE FOR EXEMPLARY, PUNITIVE, INDIRECT, SPECIAL, CONSEQUENTIAL, OR SIMILAR DAMAGES, INCLUDING WITHOUT LIMITATION, CLAIMS FOR LOST PROFITS OR PRODUCTION LINE DOWNTIME.
- **(c)** Seller's obligations under this warranty are conditioned upon the Goods not having been subject to accident, misuse, abuse, modification or use beyond rated capacity and further upon Buyer giving Seller complete access to the defective Goods and records to investigate the cause of the alleged defect. If Seller sells or provides prototypes or samples to Buyer, such prototypes or samples shall not be covered by these terms and conditions, are sold or provided "as is, where is", with no warranties whatsoever, and shall not constitute the basis of any present or future warranty from Seller.
- (d) Notwithstanding the foregoing, Buyer acknowledges and agrees that upon delivery, but in all events within seven (7) days of delivery, Buyer shall promptly inspect all Goods and promptly notify Seller with specificity in writing of: (i) the existence of any patient defects or non-conforming goods: or (ii) the failure of the shipment of the Goods to conform to the Contract. Buyer acknowledges and agrees that if Buyer fails to give the notice required by the immediately preceding sentence, it shall be conclusively presumed that other than with respect to latent defects which could not practicably be ascertained by physical inspection, the Goods as delivered were (a) free and clear of any patent defects, (b) "conforming goods" as such term is defined in the Code, (c) timely deliver and (d) otherwise conformity with the terms of the Contract.
- **(e)** All Goods shall be accepted subject to the Buyer's rights of inspection, rejection, and revocation of acceptance pursuant to Article Two of the Uniform Commercial Code ("UCC").
- **(f)** Buyer acknowledges and agrees that no salesman, officer, agent or other representative of Seller, nor is any officer, agent or other representative of the manufacturer, is authorized to make any representation contrary to the foregoing and that any attempt to do so shall not be binding upon Seller.

#### 7. LIMITATION OF LIABILITY.

Notwithstanding any provision herein to the contrary, and other than as otherwise expressly set forth herein, Buyer acknowledges and agrees that Seller shall have no liability to Buyer in connection with the Goods in excess of the total amount off consideration paid to Seller hereunder. No action shall be brought by Buyer for any breach of any contract arising or resulting from this Contract more than one year after the cause of action therefor accrues.

#### 8. FORCE MAJEURE.

Except for payments due from Buyer to Seller hereunder, neither party shall be responsible for delay or failure to perform any part of this agreement if such delay or failure to perform is caused, directly or indirectly, by an occurrence beyond that party's reasonable control, including, but not limited to, supplier limitations, fire, epidemics, floods, accidents, earthquakes, hurricanes, war (declared or undeclared), terrorist acts, blockades, embargoes, acts, demands or requirements of any government, restraining order of any courts, acts of God or other events of force majeure. Dates of delivery shall be extended for a period equal to the time lost by reason of any such cause without liability or penalty of any kind. If, at any time, it shall appear that any delay resulting from any such cause shall exceed sixty (60) days, Seller may cancel this Contract, and any contract arising or resulting from this Contract without further obligation hereunder.

## 9. COPYRIGHTS, TRADEMARKS, SERVICEMARKS AND OTHER INTELLECTUAL PROPERTY.

Neither this Contract nor the delivery of any Goods hereunder shall be construed as granting either by estoppel or otherwise, any right in or license under any present or future data, drawings, plans or ideas or methods disclosed in this Contract, or under any invention, patent, copyright or trade secret now or hereafter owned or controlled by Seller To the extent that the Contract contemplates the production of Goods utilizing copyrights, trademarks, servicemarks, tradedress, or other intellectual property supplied to Seller by, or on behalf of, Buyer (collectively, the "Intellectual Property"), Buyer represents and warrants that Buyer is either the owner or the authorized licensee of such Intellectual Property, but in either case has the free and unencumbered right to utilize such Intellectual Property in the manner contemplated by ultimate utilization of the Goods. Such representation and warranty shall survive the manufacture and delivery of the Goods. Buyer hereby agrees to indemnify and hold Seller, its shareholders, officers, directors, agents, servants, employees, and each of their respective affiliates, harmless from and against any and all damages, losses and costs of defense (including reasonable counsel fees) arising out of the breach of such representation and warranty.

#### 10. GOODS NOT OF SELLER'S MANUFACTURER.

If the Goods are not of Seller's manufacture, in whole or in part, Buyer recognizes that, with respect to such Goods Seller is not the manufacturer, but is merely a distributor or manufacturer's agent and does not manufacture the Goods.

- (a) Limited Warranty Goods Not of Seller's Manufacture.
- (i) Buyer recognizes that with respect to Goods not manufactured by Seller, is not the manufacturer, but merely a distributor or manufacturer's agent, and does not manufacture the Goods, and Seller has not participated in the design or testing of such Goods. SELLER THEREFORE MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR OTHERWISE, CONCERNING SUCH GOODS WHICH EXTEND BEYOND THE DESCRIPTION IN THIS CONTRACT.
- (ii) Buyer acknowledges and agrees that no salesman, officer, agent or other representative of Seller, nor is any officer, agent or other representative of the manufacturer, is authorized to make any representation contrary to the foregoing and that any attempt to do so shall not be binding upon Seller.
- (b) Safety and Notice of Accidents Machinery. Buyer shall use, and shall require its employees to use, in the operation of the Goods which constitute machinery all safety devices, guards, and proper safe operating procedures as are required by OSHA, other federal, state and local law and generally accepted safe manufacturing processes. Buyer shall not remove or modify any safety devices, guards or warning signs. Buyer shall notify Seller promptly, and in any event within thirty (30) days, of any accident or malfunction involving such Goods which results in personal injury or damage to property and shall cooperate fully with Seller in investigating and determining the cause of such accident or malfunction. If Buyer shall at any time resell such Goods, Buyer shall cause its purchaser to undertake the same obligations to Seller as Buyer has undertaken in this section, including without limitation the obligation stated in the immediately preceding sentence. If Buyer fails to strictly observe the obligations set forth in this Section, Buyer agrees to indemnify and hold Seller, its shareholders, officers, directors, agents, servants, employees, and each of their respective affiliates, harmless from and against any and alt damages, losses and costs of defense (including reasonable counsel fees) resulting from persons or property injured directly or indirectly in connection with the operation of such Goods.
- (c) Special Goods. If this Contract provides for special machinery or special tooling, this Contract will not bind Seller for those items until Seller shall have completed Seller's engineering, reviewed the prices on the basis of complete drawings and specifications and advised Buyer that Seller will deliver at the price(s) stated in this Contract.

#### 11. MISCELLANEOUS.

• (i) Any tax imposed by federal, state, or other governmental authority on the sale or use of the Goods (other than income taxes imposed upon Seller in connection with Seller's business) shall be paid by Buyer in addition to the purchase price.

- (ii) This Contract shall be construed in accordance with the laws of the State of North Carolina with respect to contracts to be executed and performed within the State of North Carolina.
- (iii) In the event of a dispute hereunder, Buyer and Seller consent to the exclusive jurisdiction of the courts sitting in Charlotte, North Carolina.
- (iv) This Contract constitutes the entire understanding of Buyer and Seller with respect to the Goods covered hereby and supersedes all prior agreements and understandings (whether written or oral) with respect thereto.
- (v) Subject to the limitations set forth in Section 6 (f) hereof, which shall in all circumstances prevail, no amendment or other modification or attempted modification of the terms hereof shall be effective without a written agreement executed by a duly authorized officer of Buyer and Seller.
- (vi) Any assignment of this Contract or of any rights hereunder or hypothecation hereof in any manner, in whole or in part, without the prior written consent of Seller shall be void. The terms of this Contract shall be binding upon the respective successors and (permitted) assigns of Buyer and Seller.
- (vii) Failure of Seller to insist upon strict performance of any of the terms or conditions hereof, failure or delay to exercise any rights or remedies provided herein, shall not be deemed a waiver of any right of Seller to insist upon strict performance hereof or any of its rights or remedies, or as to any prior or subsequent default hereunder, nor shall any termination of this agreement operate as a waiver of any of the terms hereof.

#### 12. CONFIDENTIALITY.

Except as otherwise specifically agreed, all non-public information disclosed by one party (the "Disclosing Party") to the other party (the "Receiving Party") shall be Disclosing Party's property and shall be held in confidence by the Receiving Party and used solely for the performance hereunder. The Receiving Party shall take all reasonable precautions (a) to disclose such information within Receiving Party's organization only to those employees and agents who have a need to know in order to fulfill Receiving Party's obligations hereunder and who have agreed to keep such information confidential, and (b) to prevent any such information from being divulged to third persons not employed by Receiving Party, including having recipients acknowledge the confidential status of such information and agreeing to similar restrictions. This obligation of confidence shall survive termination hereof and will continue for five (5) years thereafter, or for as long as such information remains a trade secret, whichever is longer.

#### 13. SERVICE PARTS (apples to vehicle applications).

Seller's pricing for the Goods is valid only during volume production of a current model. At the end of current model vehicle production, immediately prior to the time that Seller's parts are no longer necessary for the new vehicle volume production, and subject to Seller's capacity and resource availability, Buyer shall have the opportunity to purchase the service parts upon agreement between Seller and Buyer. Seller and Buyer shall separately negotiate mutually agreeable terms and conditions (including price, volume, set-up cost, lead time and retention period) of any past model service parts purchased. Seller also reserves the right to subcontract all or any portion of its service part obligation.