

General Terms and Conditions of Sale

Article 1 – Applicability

These General Terms and Conditions of Sale shall exclusively apply to all agreements - including future agreements - under which Knauf Insulation d.o.o., Novi Marof (hereinafter: Knauf Insulation), delivers items and/or performs assignments under any title whatsoever, as well as to statements to be made within that scope. Knauf Insulation's other party will hereinafter be referred to as 'the buyer'.

In case that an issue is differently stipulated in the agreement concluded with the Buyer, the provision of the written agreement shall prevail.

The general terms and conditions that the buyer presents to Knauf Insulation at any time are hereby explicitly rejected.

Article 2 – Formation of Agreements

Offers made by Knauf Insulation to the Buyer are subject to change without notice. In the event that Knauf Insulation does not send a quotation or order confirmation, the delivery note or the invoice will be regarded as such. Knauf Insulation has the right to invoke an offer made without obligation within three working days after receipt of the acceptance.

Acceptance of quotations by Knauf Insulation is effective by its sending of an order confirmation or by the unconditional performance of the purchase or the agreement for services.

If Knauf Insulation is requested to prepare a quotation for the delivery of an item or the performance of an assignment and it has to incur external costs to do so, it will be entitled to charge those costs as well as the time spent by it to the buyer or prospective buyer according to its customary rates.

Knauf Insulation will have the right to round off ordered quantities to its standard packaging units and charge the buyer for the actual quantities to be delivered.

Communication in writing includes memorandums send to the headquarter of the company, a fax message and an e-mail message, subject to the condition that Knauf Insulation immediately sends a confirmation of receipt of the e-mail.

Article 3 – Prices, Payment and Costs

If not noted differently, the prices stated by Knauf Insulation are exclusive of VAT and, unless it states otherwise or such arises from the delivery clause in question, exclusive of import and export duties and/or other government levies and/or taxes and/or unloading of the item.

If levies and/or taxes and/or costs that influence the cost price of the sold products or the performance of the agreed assignment - such as purchase prices due by Knauf Insulation - after conclusion of the agreement and until the time of delivery or performance of the agreed assignment turn out to be higher than those at the time of conclusion of the agreement, Knauf Insulation will have the right to adjust the agreed price to such increase. Knauf Insulation will inform the buyer of this in writing two weeks in advance. The buyer has one week following the notification to decide

not to proceed with the sale, in respect of which Knauf Insulation is entitled to extend with the Buyer agreed delivery period up to one week.

The current purchase prices for the Products may be changed by the Seller at any time, up to two times a year, provided the Buyer receives 30 days advance notice to this effect. The Seller reserves the right at any time to change, reduce or expand the list, range or portfolio of Products and/or to replace previous versions of a Product with a newer version of the same Product, upon communication of this information to the Buyer, without the creation of any rights on the part of the Buyer or any liability on the part of the Seller.

Unless otherwise agreed, payment must be made within thirty days of the invoice date. The buyer will be in default as soon as the payment term expires. Unless otherwise agreed, all payments shall be made by bank transfers, with bank charges and exchange difference at the expense of the Buyer.

Unless otherwise agreed, the buyer is not entitled to set-off, discount or suspension.

Article 4 – Delivery

Delivery dates are estimates, unless a fixed date for the transactions has been expressly agreed in writing. Knauf Insulation will have the right to deliver the items to be delivered in batches on the condition that it does so within the agreed period. Unless otherwise agreed on, agreed delivery periods will not include weekends, public holidays and days considered equivalent thereto. Delivery periods are given under the reservation that the Buyer meets his duties of cooperation. Deliveries on Saturdays and other non-standard deliveries (express, time window deliveries...) are possible only upon special agreement and under the condition that the Buyer bears the extra costs.

Knauf Insulation will be in default only upon the expiration of a reasonable grace period of no less than 21 business days set by the Buyer. Withdrawal must be by written notice.

In cases of force majeure and other unforeseeable, extraordinary circumstances for which Knauf Insulation is not responsible, for example operational troubles and interruptions due to fire, water, or similar events, failures of production facilities and machines, late delivery, or delivery shortfalls on the part of our suppliers, and interruptions in operation due to a shortage in raw materials, energy or labour, strike, lockout, difficulties in the procurement of transportation means, disruptions or obstructions in traffic, or official intervention, Knauf Insulation is – to the extent that the named circumstances prevent the Knauf Insulation from a timely performance of its obligations - entitled to postpone the performance of the delivery and/or service for the term of the obstruction plus a reasonable start-up time. If, consequently, the performance of the delivery or service is delayed for more than one month, both Parties are entitled to withdraw from the agreement by written notice in respect of the quantities affected by the delay in delivery.

Unless otherwise agreed, delivery takes place DAP, at the agreed place of delivery. When practicable, Seller will follow Buyer's requested shipping instructions. If none are requested, Seller will use its discretion in selecting an appropriate transportation method

In the case that the Buyer is in default with calling, accepting, or collecting the goods or services, or if the Buyer is responsible for a delay of the shipment or the service of the goods, Knauf Insulation is entitled without prejudice to any other claims, to demand payment of a flat-rate in the amount of the usual local storage charges, regardless of

whether the goods are stored in Knauf Insulation's facilities or those of a third party. The Buyer bears the burden of proof of lower or no damage.

The meaning of delivery clauses will be explained on the basis of the Incoterms 2010 of the International Chamber of Commerce. If an agreed delivery clause is not defined in this edition, the definition in the most recent prior edition of the Incoterms will apply.

Article 5 – Inspection, Complaints and Returns

The buyer is obliged to inspect items delivered by Knauf Insulation, or the assignment carried out by it, immediately after taking delivery of the items or after the assignment has been carried out to see whether the agreed quantity has been delivered and check for any other defects that can be discovered.

Within three days after delivery, Buyer must give notice to Seller of any claim with respect to visible deficiencies, meaning the condition, quality or grade of the products or non-conformance, accurately specifying the basis of the claim in detail by fax or recognized overnight delivery service. Seller may, at its option inspect the products at Buyer's facilities to confirm that the products do not conform. Failure of Buyer to comply with these conditions within the time set forth herein or in the agreement shall constitute irrevocable acceptance of the products by Buyer, who loses all rights to complain about a defect and enforce any resulting claims, including the right to compensation.

Non-visible quality complaints shall be accepted within three months from delivery date for products stored in a covered storage and one month from delivery date for products stored outside.

All complaints shall be accepted only in written form (by E-mail, telefax or ordinary mail). Complaints shall not be accepted by phone.

Knauf Insulation has the right to require that the buyer return any items to Knauf Insulation that were delivered to them - in respect of which they submitted a complaint in due time and in the correct manner - or a representative part thereof to be determined by Knauf Insulation, so that Knauf Insulation is able to check the complaint submitted for correctness. Knauf Insulation may also choose to investigate the complaint at the location where the buyer stored the shipment, or where the items in question were processed, in which case the buyer must render their cooperation in that respect.

Knauf Insulation will only accept return shipments after it has given its prior consent for such shipments and has provided a returns number. The costs of return shipment and the costs of storage will be payable by the party found to be in the wrong. If the return shipment is made as a result of a complaint the costs will be advanced by the buyer.

In the event that the Seller establishes that the products do not conform to these rules or the agreement, Buyer's sole remedy and Seller's sole obligation shall be at Seller's option to replace the products at Seller's expense or credit Buyer the amount of the purchase price for the non-conforming goods. Return shipping expensive in this case shall be the sole responsibility of Seller.

Complaints with regard to an invoice must be submitted to Knauf Insulation in writing and with a specification within three working days of the sending of an invoice, failing which the contents of the invoice are established, regardless of the possibility for Knauf Insulation to correct any evident mistakes.

Article 6 – Retention of Title

All deliveries will be made subject to retention of title. Knauf Insulation retains the title to the items delivered and to be delivered to the buyer under any agreement until the buyer has paid the purchase price for all items in full, plus any interest and costs due, and has paid all claims regarding work that Knauf Insulation has performed or will perform for them within the scope of the agreement in question and has paid the claims that Knauf Insulation acquires against them fails to fulfil the obligations referred to above.

The buyer may not use the item subject to retention of title in any way as security for claims other than those of Knauf Insulation.

Article 7 - Breach of Contract

In the event that the buyer is in breach of contract, in addition to the right to terminate the agreement in question, Knauf Insulation also has the right to terminate by means of a written statement any other agreements that exist between Knauf Insulation and the buyer that have not yet been completed or to suspend their performance.

In that case, Knauf Insulation will also be entitled to demand from the buyer everything that they owe Knauf Insulation at once and/or to only make the next deliveries after advance payment or to suspend performance of the assignment in question or to require advance payment for it. The rights described in this paragraph do not affect the other rights of Knauf Insulation formulated in the law.

Knauf Insulation has the right during the performance of the contract to require the provision of additional security if it receives indications about such reduced creditworthiness of the Buyer that it may reasonably doubt the Buyer's perfect fulfilment of their obligations.

Knauf Insulation may also exercise these rights if the Buyer is granted suspension of payments, provisional or definitive, if the Buyer is declared bankrupt or if Buyer's unpaid invoices exceed the limit determined by Knauf Insulation.

Neither Party shall be liable for any delay or failure to perform under their agreement (except for the payment of any due sums) if such delay or failure is due to causes beyond its reasonable control, such as, but not limited to, fire, flood, strikes, labour disputes or other industrial disturbances, (declared or undeclared) war, embargoes, blockades, legal restrictions, riots, insurrections, governmental regulations, and the unavailability of means of transportation.

Article 8 – Termination of Contract

The Seller has the right to terminate this Agreement, or at its choice, to dissolve this Agreement, effective immediately, at any time and without prior notice or compensation in lieu thereof nor any goodwill indemnity by sending a fax and a registered letter to the Buyer in the event that:

- (a) the Buyer has committed a material breach of this Agreement, including, but not limited to, lack of payment or late payment of invoices provided that the Seller has given the Buyer prior written notice of its intention to terminate the Agreement on this basis and a grace period of 10 calendar days in which to settle all outstanding balances (including interest);

(b) the Buyer commits an act of dishonesty, disloyalty or fraud with respect to the Seller, its business or the Products or commits gross negligence or wilful misconduct or breach in the performance of its obligations under this Agreement, provided that the Buyer was given a prior written notice of the misconduct or the breach and that he does not change that conduct or cure such breach to the Seller's full satisfaction within 30 calendar days following such notice;

(c) the Buyer violates or has violated the provisions of the Code of Conduct;

(d) the fact that the Buyer has become insolvent or declared bankrupt, has been dissolved or entered into liquidation, or has filed a voluntary petition for proceedings in temporary relief (or composition) of creditors;

(e) there is a material change in the Buyer's management, business, assets or shareholdings.

Article 9 - Intellectual Property Rights

The Buyer agrees that all trade names, trademarks, domain names, copyrights, trade secrets, and all other intellectual property rights related to the Products are and shall remain at all times the exclusive property of the Seller. Any use by the Buyer of any such trade name or trademark, domain name, word, logo, sign, or other intellectual property right related to the Products, whether in connection with the Buyer's trade name, corporate name or otherwise, requires the prior consent of the Seller. Upon the termination or expiry of the agreement for any reason whatsoever, the Buyer must return this information to the Seller.

Article 10 – Liability

Any advice given by Knauf Insulation on a product and/or the application of the relevant product will at all times be without obligation, serve only indicatively as a guideline and the buyer cannot derive any right from it whatsoever.

Knauf Insulation provides its advice to the best of its knowledge and on the basis of the information provided. Regardless of this advice, the buyer must assess for themselves whether the products are suitable for the buyer's intended object. Prior to implementing the advice, the buyer is obliged to check that the advice is correct.

If Knauf Insulation and the buyer agree on a guarantee, such guarantee will only cover the legal concept of 'breach of contract', unless otherwise agreed.

Except in the case of intent or deliberate recklessness on the part of Knauf Insulation, Knauf Insulation is not liable on account of any failure, wrongful acts or any other legal ground for any damage suffered or to be suffered by the buyer, of any nature and/or extent whatsoever, including damage suffered by the buyer or any third party including, but not limited to, damage to items owned by the buyer or third parties, as well as any direct damage, indirect and/or consequential damage, immaterial damage, trading loss, business interruption loss, loss of profits, personal injury or environmental damage.

Except in case of intent or deliberate recklessness, if it should be determined that in addition to or instead of the provisions of these general terms and conditions on its liability, it owes any compensation, Knauf Insulation limits its liability to the foreseeable damages, to the agreed purchase price for the order under the agreement at most (excluding VAT), with a maximum of EUR 50,000.

The buyer will indemnify Knauf Insulation against all third-party claims regarding compensation of damage, with respect to which the liability of Knauf Insulation in the relationship with the buyer is excluded or limited in these general terms and conditions. For these purposes the buyer will also indemnify Knauf Insulation against third-party claims for purposes of any product liability, to the extent that such claim exceeds the amount of the maximum liability of Knauf Insulation vis-à-vis the buyer.

Article 11 – Confidentiality

Knauf Insulation and the Buyer undertake to keep confidential and not to divulge to any third party any confidential information, reports, records or other restricted documents concerning the other Party or its activity which they have received or obtained in the framework of their transactions. Each Party shall ensure that its directors, employees, agents and other intermediaries are bound by a similar duty of confidentiality.

Upon termination or expiration of their agreement for any reason whatsoever, the Buyer shall immediately return to the Seller any documents containing restricted information.

Article 12 – Assignment and Transfer of Contracts

Neither Party shall assign or transfer any of its rights or obligations under their agreement, either in whole or in part, to any third party without the prior written consent of the other Party. Any such assignment or transfer without the prior written consent of the other Party shall be deemed null and void.

However, Knauf Insulation shall be entitled to assign or transfer their agreement, in whole or in part, to any other company of the group of companies to which it belongs or in connection with the sale, transfer, merger, consolidation, or any other disposition of all or substantially all of its assets or business upon giving formal written notice thereof to the Buyer, provided such transfer or assignment does not adversely affect the Buyer's rights.

Article 13 – Applicable Law and Competent Court

All agreements between Knauf Insulation and Buyer shall be construed and enforced according to the laws of the State of Knauf Insulation.

Any disputes arising between the Parties relating to, arising out of or in any way connected with their transactions or any term or condition hereof or the performance by either Party of its obligations hereunder, whether before or after termination of their agreement, that the Parties fail to settle amicably within a reasonable period of time shall be exclusively submitted to the competent court which has jurisdiction over the location of Knauf Insulation's headquarters.

June 2020