

BLEFA Kwik Keg Buyback Guarantee

Terms & Conditions for Blefa Customers
Effective July 1, 2023

The BLEFA Buyback Guarantee assists Customers with the uncertainty of the market and future business decisions by offering the ability to return any functional full stainless steel keg bought from BLEFA (as defined below) from our industry-leading Kwik Keg program. At any time within the first seven years from purchase, Customers can look to sell back their Kwik Kegs without any reason.

The Buyback Guarantee is provided by Blefa Kegs, Inc., 182 Jefferson Pike, La Vergne, TN 37086 ("BLEFA") in respect of stainless steel "Kwik Kegs" manufactured by BLEFA /AMERICAN KEG and sold from any Blefa-US Location ("keg(s)" or "Kwik keg(s)"), effective July 1st, 2023.

BLEFA will buy the above-described Kwik Kegs back according to the terms and conditions of this Guarantee:

1. The Customer shall have the right (but not the obligation) exercisable in his/her sole discretion to execute clause to sell eligible Kwik kegs back to BLEFA within the first 84 months after the relevant Kwik Keg's original purchase from BLEFA.
2. Customer's right to sell kegs back to BLEFA is non-transferable, i.e. only valid to Customer who is the original purchaser of the Kwik Keg(s) from BLEFA with Buyback Guarantee line item included on invoice.
3. The Customer warrants and represents that Customer has unencumbered and sole ownership of each keg at the time when right to sell is exercised and at the time the kegs are delivered at BLEFA's location. In particular, if a keg is subject to a lien, the buyback option is unavailable to the Customer.
4. Any eligible keg returns need to follow the procedure set out below, section 9.
5. Customer is responsible for all freight to the selected BLEFA-location listed on www.BLEFA.US. Any damage in transit is the responsibility of the Customer.
6. All returned kegs have to be safely palletized and wrapped securely for transport to BLEFA.
7. All returned kegs have to be functional and identification markings are clearly readable
8. All returned kegs have to be cleaned internally and externally in order to be eligible for the standard "clean state" return price. Kegs not properly cleaned may be rejected or bought back at a reduced price (as per inbound-valuation).
9. Value of each Kwik Keg type will be decided at the time of buyback based on then-current market value both for new and used kegs, after the returned kegs' condition has been verified. A value indication (initial quote) in writing, including via email, will be provided on request prior to shipment to BLEFA-facility, based on the information submitted by Customer, subject to kegs conforming to Customer's information. With the request, Customer must provide at least the following information: quantity (number) of each keg type and each condition category (see below) as well as serial numbers of all kegs and prospective date of return delivery. Validity of BLEFA's quote, if not set out differently in the quote, shall be 5 working days. Actual buyback price will be adjusted for discrepancies between information provided by Customer and actual quantity and conditions of kegs returned.
 - When determining the market value, BLEFA foresees it will take into account the following criteria:
 - Keg and spear not older than 3 years and in good working condition, meaning the kegs require services of knurling, polishing and internal wash only: offered Buy-back price is expected to be 60% of the then-current BLEFA Kwik keg price in the same volume category
 - Keg and spear not older than 7 years and in acceptable condition, meaning the kegs require the services from above plus any spec adjustment to keg body and complete spear refurbishment, but no removal of excessive branding: offered Buy-back price is expected to be 45% of the then-current BLEFA Kwik keg price in the same volume category
 - Keg and spear not older than 7 years, in worn condition, meaning kegs require services from above plus excessive branding needing removed: offered Buy-back price is expected to be 40% of the then-current BLEFA Kwik keg price in the same volume category

- All other kegs (kegs not meeting the criteria above) should not even be returned by the Customer as they are not eligible for buy-back by BLEFA; if returned nonetheless, scrap value will be reimbursed minus scrap handling fee of \$3.50/keg.
 - If Customer is not in agreement with the inbound-evaluation, Blefa can claim \$2/keg for handling based on the inbound report.
 - Once customer agrees to initial buyback offer, the kegs can be sent to any U.S. BLEFA location, as outlined at www.BLEFA.US.
 - Customer is responsible for all freight to the selected Blefa-location. Any damage in transit is the responsibility of Customer.
10. All returned kegs will be inspected prior to final payout.
- BLEFA reserves the right to reject all kegs that it deems at its own discretion defective and non-repairable and therefore unsellable as well as not meeting the criteria set out above (6.-9.). [Customer undertakes to pick up all rejected kegs within 30 days after BLEFA's notice of rejection. Kegs not picked up at Customer's cost within 30 days are considered forfeited and may be scrapped by BLEFA without any compensation due to Customer.]
 - All kegs will be scanned based on the laser-etched BLEFA QUALITY ID.
 - Report with all returned Keg-ID's will be made available for the Customer within value categories to determine the individual and total buy-back-value.
 - Non BLEFA-manufactured kegs shipped in error will be rejected and customer will be responsible for return shipping plus handling fee. If not picked up within 30 days after BLEFA's notice of rejection, the kegs are considered forfeited and BLEFA may dispose of the kegs at its discretion.
 - Once inspection has completed, BLEFA will provide any deviation from the initial quote based on the findings of BLEFA to determine final approval from customer (inbound-valuation).
 - If customer is not in agreement with the inbound-evaluation, Customer is responsible for outbound freight back to a defined location plus Blefa can claim \$2/keg for handling. Kegs must be picked up within 30 days after Customer has been provided with the inbound-evaluation. If not picked up in time, the kegs are considered forfeited and BLEFA may dispose of the kegs at its discretion without any compensation due to Customer.
 - While BLEFA will always strive to offer a fair buyback value to Customer, the value determination criteria and calculation elements set out above are indicative and non-binding and based on market conditions current at the effective date of this guarantee. Each specific buy-back indication and quote for Customer will be reasonably made by BLEFA based on market conditions and values current at the time of the quote. The application of the determination criteria and calculation elements above are in particular subject to unforeseen, extraordinary market situations.
11. Buy-back Payment to the Customer for accepted kegs based on inbound-evaluation agreed upon by Customer and detailed value-report evidencing deviations will be initiated within 30 days after arrival of the kegs in the Blefa facility and will be made by [method].
12. This guarantee and its terms and conditions may be amended or discontinued by Blefa at any time, effective for all kegs purchased from Blefa after the respective amendment date.
13. The laws of Tennessee shall apply, with the exclusion of the Treaty of the United Nations regarding agreements for the international sale of goods (Vienna Convention on the Sale of Goods). The ordinary civil court competent for La Vergne, Tennessee, shall have exclusive jurisdiction for all disputes related to these terms.

La Vergne, TN July 2023

Jeff Bishop, COO/GM Blefa Kegs, Inc.

Justin Willenbrink, Sales Director North America