

## General Sale and Delivery Terms and Conditions

### 1. General Provisions

Our deliveries and services are made exclusively on the basis of the following terms and conditions, unless different conditions are agreed between the contractual parties in writing, e.g. in offers, order confirmations or other written communication. If the ordering party does not object to our terms and conditions immediately, it will be considered from both sides as agreed acceptance of goods or payment obligation. Purchasing terms and conditions of the buyer are binding upon us only if explicitly accepted for a specific deal.

### 2. Offers, Order Confirmations

All our offers are subject to alterations. Orders given as well as all order amendments shall be binding upon us only when confirmed in writing by us.

### 3. Protection Rights

If the buyer places at our disposal proofs, drafts or drawings, he shall take the responsibility to secure his possession of the copyright or any other required protection rights in terms of the proofs to be printed. In case of any claims laid by third parties arising from the violation of protection rights, the buyer shall hold us free of any damage and charge of lawsuit whatsoever. In case of any breach of contract by the customer, his copyright or other protection rights shall not prevent us from the realization of goods as stipulated by the contract.

### 4. Prices

With sales that are not effectuated in the local currency, i.e. Croatian Kuna, or Euro, the customer shall bear our currency risk from the date of our sales confirmation until the final payment. In case of any changes in general economic conditions, especially in case of wage rises, increase of prices for raw and other materials, taxes, transport charges as well as currency fluctuations, we reserve the right to raise the agreed prices in proportion to the increase of our expenditure.

### 5. Payment

Our invoices are payable within 30 days net as from the invoice date. If the payment time is exceeded, the buyer shall be considered to be in default without any prior reminder. Provided all his other rights are retained, the seller may charge the default interest of 4% above the LIBOR rate for the contract currency effective on the date of invoice. Bills of exchange and cheques are accepted only by reason of fulfilment. The ordering customer is not entitled to settle accounts by setting off against his own receivables or to hold back the payment by reason of his own claims. If any changes of the economic position of the buyer or default of payment should occur, we shall be entitled to cancel the contract, declare all outstanding amounts due and payable with immediate effect and make use of any accepted bills of exchange.

### 6. Right of Ownership Retention

We shall retain the ownership of delivered goods, even if processed, until fulfilment of all appertaining claims against the ordering customer. If there is more than one contract, the retention of ownership shall apply to all deliveries. In case of sale at destination, the same must be effected under ownership retention and it is right now that the ordering customer is transferring to us his own claims arising from further sales of goods to his own clients up to the outstanding amount of the agreed price. If, according to the law of the area where the delivered goods are located, it is not possible to exercise the ownership retention and, however, some other security rights involving the goods are allowed, then we may use of all of these rights. The ordering customer is liable to cooperate in terms of all measures and actions required to provide effectiveness of the ownership retention or establishment of other security rights. Access of third parties to the goods under ownership retention must be immediately reported to us by the ordering customer.

## 7. Date of Delivery

The accepted dates of delivery are approximate and not binding upon us. Terms and dates of delivery shall only be calculated as from the clearing of all details and submission of all required documents, i.e. upon receipt of a "print authorization". The date of availability at works shall be considered as a delivery date. Partial deliveries are allowed. Events of "force majeure", such as strikes, blockage, fire etc., which are not under our control and influence without our fault, shall entitle the delivering company to cancel its delivery obligations in full or partially, depending on the extent of its current situation of constraint. In case of delivery delay caused by our fault, the ordering customer is entitled to set an appropriate subsequent delivery date and, if such new date expires without result, to withdraw from the contract. It shall not be possible to lay any claims whatsoever based on the failure to honour the agreed delivery dates.

## 8. Packing

The seller is responsible for the suitable packing usual in the industry. The packing shall be invoiced at cost price. Unless otherwise agreed, the packing is not returnable.

## 9. Dispatch

The dispatch shall take place at the risk and cost of the ordering customer, unless otherwise agreed. If the customer gives no special instructions, the dispatch shall be made according to our best judgement in the best interest of the customer. No responsibility for the fastest transport shall be assumed. Special arrangements, if any, must be explicitly specified in each order confirmation.

## 10. Execution

### 10.1 Materials

Without special instructions of the buyer orders shall be executed by utilizing the materials and production procedures usual for the industry. No complaints in terms of the behaviour of package to the goods-to-pack and vice versa can be submitted subsequently, unless the buyer has explicitly emphasized the characteristics of the goods to be packed and given the seller an opportunity to express his view thereon.

### 10.2 Printing

If no special instructions were given by the buyer when placing an order, normal print colours shall be used for printing. The seller reserves the right to minor differences in colour that do not entitle the buyer to refuse the acceptance of goods or to reduce the price. We assume no warranty for a high degree of colourfastness to light.

### 10.3 EAN Code

In mutual agreement our responsibility for the consequences of the possible or impossible use of EAN code or any other code, which is applied to the goods delivered by the seller upon request of the buyer, as well as for the consequences of incorrect reading of such codes by the appropriate reading devices.

## 11. Orders on Call

The period in which the orders on call must be taken over is 3 months calculated from the date of the first delivery. If the goods are not taken over in the total ordered quantity within the above period of 3 months, we are authorized to deliver the remaining quantity at our storage. Special arrangements, if any, must be explicitly specified in each order confirmation.

## 12. Tolerance

### 12.1 Delivered Quantity

We are authorized to deliver in excess of or the shortage of the ordered quantity within the following tolerances:

- - 500 kg: 30%
- 500 kg - 1,000 kg: 20%

- 1,000 kg - 5,000 kg: 10%
- over 5,000 kg: 5%

## 12.2 Surface Weight

**12.2.1.** The tolerance of size for aluminium is determined according to AFCO-Standard 1 and AFCO-Standard 2.

**12.2.2.** The prescribed surface weight of compounds (laminates) and their components shall have the tolerance of +/-8%. As a standard to be applied for this tolerance shall be the average weight of manufactures goods (average value of delivered quantity) and by no means the weight of random sample checks. If less than 2,000 kg are delivered, this tolerance may be exceeded.

## 13. Complaints

**13.1.** The complaints must be submitted immediately, i.e. one week at the latest upon arrival of goods at destination.

**13.2.** Complaints for hidden defects, which cannot be found in an immediate check after delivery, can be effectively submitted only if the complaint is received within 6 months from the date of delivery.

**13.3.** The seller shall be given the opportunity to check and verify the reported defect on the spot.

**13.4.** In the production of flexible packing the occurrence of a relatively small number of defective goods is technically unavoidable and a portion of up to 2% of the total quantity cannot be subject of complaint, irrespective of whether the defect is in the processing or printing.

**13.5.** Compensation for damage shall by no means exceed the value of the delivered goods. Compensation for consequential damages is excluded.

**13.6.** The buyer protects the seller from claims of others for compensation of damages due to inappropriate use i.e. processing or treatment of the goods, or parts thereof, delivered by the seller.

**13.7.** The replacement obligation for the damage of property according to the Croatian law as well as product liability claims which can be deducted from other regulations, are excluded.

## 14. Processing Warranty and Storage Instructions

With appropriate storage according to our storage instructions we guarantee faultless processing suitability up to 6 months from delivery, if proper use is applied. Claims for defects due to disregard of our instructions, shall not be recognized. If necessary, please ask for our storage instructions.

## 15. Tools, Impressing and Printing Rollers and Clichés

Tools, impressing and printing rollers and clichés remain in our possession even if the ordering customer has specially paid for them. Design protection rights and claims shall not be affected thereby. If the execution of an order according to the instructions of the ordering customer violates the protection rights of others, it is the ordering customers who is only and solely responsible for any compensation of damages in favour of the third party whose rights were violated. Our claims from our ordering customer shall not be affected thereby.

## 16. Place of Execution and Jurisdiction

Place of execution of all deliveries and services shall be Umag and Zadar. All concluded sales deals are subject to the Croatian law. For disputes, if any, the court of territorial and factual jurisdiction shall be at our company's head office.

#### **17. Other Provisions**

The ordering customer's rights arising from the delivery contract shall not be transferable. Legal ineffectiveness of particular provisions of the contract shall not release the contractual parties from the duty to honour other contractual agreements. In case of commencement of an insolvency or bankruptcy proceedings over the assets of the ordering customer, we shall be entitled to withdraw from the contract.