

The Mondi group's general terms and conditions on the sale and delivery of industrial paper sacks

MONDI BAGS IBERICA, S.L.U. MONDI IBERSAC, S.L.U.

Autovía A-2, km 582 08630 Abrera, Barcelona, Spain Calle La Perenal, n.º 4 48840 Güeñes, Vizcaya, Spain
Tel. +34 937 700 176 Tel. +34 946 690 700

Email: mpb.spain@mondigroup.com Email: mpb.spain@mondigroup.com
(Hereinafter, also referred to as the "Seller")

MONDI IBERSAC, S.L.U.

Calle Cactus, 30, parcela 7, pol. ind. Arinaga
35118 Agüimes, Las Palmas de Gran Canaria, Spain
Tel. +34 928 799 617

Email: mpb.spain@mondigroup.com
(Hereinafter, also referred to as the "Seller")

The Mondi group's general terms and conditions on the sale and delivery of industrial paper sacks

1. APPLICATION

- These general conditions shall govern all the orders and sales agreements between the Mondi group (hereinafter, the "Seller") and the Buyer.
- Any deviations from these general conditions must be agreed in writing.
- In the event that one or more of the general conditions are rendered invalid or cease to be effective for any reason during the term of the agreement, the remaining conditions will continue to be valid.

2. REGULATORY STANDARDS

- Vocabulary and types (paper sacks) UNE-EN 26590-1
- Description and method of measurement UNE-EN 26591-1
- Drop test (paper sacks) UNE-EN 27965-1
- Conditioning for testing (paper sacks) UNE-EN 26599-1
- Sampling empty sacks for testing UNE-EN 27023
- Dimensional tolerances (paper sacks) UNE-EN ISO 8367-1

3. NEGOTIATION AND CONCLUSION OF THE AGREEMENT + TENDERS:

- The quotes provided to the buyers must include the following basic information:
- Format and type of sack
- Amounts offered
- Preparation of the sack, indicating the different weights of the sheets
- Delivery time and shipping instructions
- Terms of payment
- Prices

+ ORDERS:

- The orders will become binding once the Buyer has submitted the formal order in writing to the Seller
- The Buyer must indicate the following in the order:
 - The number of sacks requested
 - The size of the sack and the technical specifications
 - The remaining commercial information, such as the price, delivery date, terms of payment and return
- The Seller's technical/qualitative regulations will apply to anything that is not indicated in the order.
- Any agreement will be considered to have been signed and finalised at the Seller's domicile.

+ ORDER CONFIRMATION:

- Upon receipt of the order confirmation, the Buyer shall immediately (or within a maximum period of five days following receipt of such confirmation) notify the Seller of any discrepancy with respect to the order.

+ MODIFICATION OR CANCELLATION:

- Any order cancellations or full or partial modifications must be agreed by both parties (Buyer and Seller).
- The Seller will always be entitled to reimbursement from the Buyer for all production costs incurred until the date of cancellation of the order.

4. PRICE

- Unless otherwise agreed in writing, the Price is in Euros. The amounts are agreed as net prices, without taxes or costs, which shall be paid by the Buyer.

5. MANUFACTURING THE ORDER + COMPONENTS:

- The analysis of the composition of the sheets is conventional, from the outside to the inside of the sack; the first sheet is the external sheet and the last one is the internal sheet (it has direct contact with the product inserted into the sack).

+ RAW MATERIAL:

- Unless otherwise stipulated in writing, the Seller may choose and use the materials and manufacturing processes it wishes for all the orders, provided that the final product meets the specifications agreed with the Buyer.

+ PRINTING:

• Intellectual property and patent rights

- The Buyer assumes sole liability for any breach of the rights of third parties, especially those related to copyrights, commercial trademark rights or registered commercial trademark rights of the affected trademarks, names, patents and designs that the Buyer itself decides and requests to be indicated on the requested sacks.
- The Buyer guarantees to release the Seller from any of the aforementioned liabilities and make itself responsible for the consequences arising from the actions of third parties that breach any rights indicated above.
- In accordance with the Intellectual Property Law, any work involving the execution of a creative process (drawings, photographs, prints, films or printing on films) by the Seller will be the exclusive property of the Seller and will not be transferred to the Buyer unless otherwise agreed by both parties.

• Print quality

- The printing characteristics must comply with the current commercial quality in terms of ink tolerance, position variation and any deviation from the printing plate.
- Unless otherwise stipulated in writing, the Seller must use standard printing ink. Therefore, it does not guarantee a specific light resistance for the printing inks and is not liable for their deterioration over time due to exposure to light or any other agent.
- When evaluating the quality of the graphics, even if Pantone codes (or another system) are used, they must consider the actual reproduction potential and other factors (paper, porosity, absorption, thickness, etc.) that may affect the final result.

• Test sheet approval

- For new prints, the Seller must send a test sheet to the Buyer so that the latter may grant its approval in writing.
- Once the Buyer has granted approval, the Seller is released from any liability for possible errors or omissions or for any difference between the delivered product and the model or sample used by the Buyer to define the product during the order.
- If there is no written approval, any verbal agreement formalised by the Buyer will release the Seller from any liability.
- Should the Buyer request any last-minute changes that require the printing film to be remade or that interrupt the production chain, the Seller will be entitled to receive reimbursement for all the additional costs incurred due to the Buyer's request.
- If the Buyer considers the colour shades to be important, it shall reach an agreement with the supplier to be present at the first printing and grant its approval.

• Manufacturer's logo

- The Seller reserves the right to distinguish its products by printing its trademark, reference code, or both on the products as well as any other necessary or useful symbol to identify the containers and packaging during the recycling process.

+ PRODUCTION TOLERANCES:

• Weight and thickness tolerances

- The tolerances for the weight of the paper sheets and the tolerances for the thickness of the plastic materials used to manufacture the sacks is set at +/- 5%; if the sacks are manufactured with complex materials, the average tolerance for each sheet is +/- 10% of the weight.
- The Seller may decide to provide the manufactured sacks with sheets of varying weights, provided that the +/- 5% tolerance for the number of sheets and the total weight remains intact.

• Dimensional tolerances

- See regulation UNE-EN ISO 8367 -1, for example:
- Open-mouth sacks:
 - Sack length +/- 10 mm
 - Sack width +/- 5 mm
 - Bottom width +/- 5 mm
- Valve sacks:
 - Sack length +/- 10 mm
 - Sack width +/- 5 mm
 - Bottom width +/- 5 mm
 - Valve width 0/+ 5 mm
 - Valve length +/- 5 mm

• Quantitative tolerances

- The following quantitative tolerances are permitted:
- Less than 5000 sacks +/- 25 %
- From 5000 to 10 000 sacks +/- 15 %
- From 10 000 to 25 000 sacks +/- 10 %
- From 25 000 to 100 000 sacks +/- 8 %
- More than 100 000 sacks +/- 5 %

• Qualitative tolerances

Critical non-compliance: those that considerably reduce the opportunities for use of the sack or that make it completely unusable for the intended purpose.

Critical non-compliance tolerances are permitted up to the following limits (tolerance percentage):

- Less than 5000 sacks 2.5 %
- From 5000 to 10 000 sacks 2 %
- From 10 000 to 25 000 sacks 1.5 %
- From 25 000 to 100 000 sacks 1 %
- More than 100 000 sacks 0.5 %

This maximum limit must be checked for the entire batch, not partially or in isolated pallets.

6. PACKAGING AND SHIPPING

- Unless otherwise agreed, the Seller will apply its packaging regulations in terms of pallet type and size, number of sacks per pallet and the corresponding storage.
- Special packaging will be charged separately.

7. DELIVERY

- The orders must be delivered on the date and at the location established by the parties; this will depend on the workload at the time the order is made. Notwithstanding the foregoing, the Seller shall immediately notify the Buyer in writing of any expected delays in the delivery of the order, informing it of the reasons for, and duration of, the delay as well as any measures that will be taken to minimise the impact.

- If, on the other hand, the Buyer requests that an order be delivered within a period shorter than that which was previously agreed, or places an urgent order, it shall communicate this to the Seller as soon as possible, and all the costs arising from such circumstance will be borne by the Buyer.

—All the order's risks will be transferred to the Buyer once the delivery has been made at the location specified in the order.

- The contractual delivery times will be extended to match at least the same period of time as the delays if the delays are caused by the following reasons:

- changes to the product requested by the Buyer, delays or interruptions in the manufacturing process attributable to the Buyer;

- Unforeseeable circumstances or situations of force majeure, such as health crises, wars, terrorist attacks, vandalism, strikes, fires, floods, earthquakes, particularly adverse weather conditions, measures imposed by public authorities, power cuts, machinery breakdowns or shortages of raw material, unless the Seller is exempt from its obligations due to an unexpected inability to comply therewith, except in the case specified in paragraph 10:
- If it is not necessary to transport the goods to the Buyer's address or to another location designated by the Buyer, they must be picked up within the agreed period.
- In any case, the goods that have not been picked up in the agreed period may be invoiced starting from the pick-up date established in the agreement, and the terms of payment will enter into force starting on that same date.

8. PAYMENT

- The Seller will issue an invoice, which may also be electronic, including the order number designated by the Buyer and the date thereof, the number of sacks invoiced and the ID, if applicable, corresponding to the delivery note. Invoices shall include any information required by the applicable regulation and, especially, tax regulations.
- The invoices will be sent to the Buyer's address referred to in the order.
- The payment will be made under the terms and deadlines agreed, in the Seller's bank account or through any other agreed procedure. The payment will be made without any deductions, such as unagreed withholdings, discounts, expenses, taxes or fees, or any other deduction.
- In the event of delayed payment, the Buyer shall pay the late-payment interest in accordance with Act 3/2004, of 29 December, combating late payment in commercial operations.
- If the Buyer and the Seller sign more than one agreement, or if they include more than one delivery in an agreement, the discrepancies that may arise from the agreements or deliveries will not entitle the Buyer to suspend payment for the goods already supplied.
- Should the Buyer fail to make the payment, the Seller may temporarily or permanently, at its discretion, suspend other deliveries or other agreements without prejudice to its right to compensation.

9. EXAMINATION OF GOODS AND CLAIMS

- Unfulfillment due to discrepancies between the amounts requested and delivered, as well as anomalies in the exterior condition of said goods, shall be reported in the delivery note itself.
- The Buyer shall only send claims in writing to the Seller.
- Likewise, the Buyer's claims will not be admitted if they refer to consequences arising from the incorrect storage of the goods after delivery.
- The Buyer shall store the goods in agreement with the conditions indicated by the Seller. If they are not indicated, the goods shall be stored as follows:
 - Minimum temperature: 10 °C;
 - Relative humidity: between 40 % and 60 %;
 - Absence of polyethylene packaging film to keep sacks in better condition;
 - Pallets should not be stacked on top of each other;
- The goods claimed by the Buyer shall be stored for 30 days starting from the date of the claim so that the Seller may inspect them, without prejudice to the Buyer's obligation to provide thorough evidence of the claim. Goods claimed may not be returned to the Seller without being examined by the Seller.
- Notwithstanding the cases above that release the Seller from liability, if there are any defects or failures to comply with quality standards, the Buyer will be entitled to request the Seller (within a period of two months starting from confirmation of the defect or noncompliance) to substitute or replace the non-compliant or defective goods within a period of two months at the Seller's discretion.
- If the Seller's liability is confirmed, it shall only be liable for the value of the goods delivered that are claimed.
- Under no circumstances will the Seller be required to indemnify the Buyer for any direct or indirect damages, such as loss of production, material damages or injuries, or damage to its reputation, etc.
- In any case, claims on supplies delivered more than 12 months before the claim will not be admitted.

10. INABILITY TO FULFIL THE CONTRACT

- If it is impossible to fulfil the contract due to the absence of a specific raw material or the interruption of a specific industrial process, the parties undertake to examine the situation and agree to supply an alternative product.
- However, both parties retain the right to terminate the contract.

11. PROCESSING OF PERSONAL DATA

- With regard to processing the customer's personal data, customers are entitled to exercise their rights in accordance with Articles 13-19 of the Organic Law, of 13 December, on personal data protection.

12. APPLICABLE LAW AND JURISDICTION

Any dispute that may arise between the Seller and the Buyer will be governed and interpreted in accordance with Spanish law. The application of any international convention related to the sale of goods and provision of services will be expressly excluded (in particular, the United Nations Convention on Contracts for the International Sale of Goods).

Any conflicts that may arise in relation to orders or agreements between the Seller and the Buyer shall be resolved amicably between the parties. If an amicable solution is not reached, all the disputes will be submitted to the jurisdiction of the Courts and Tribunals of Bilbao (Spain) or Barcelona (Spain), depending on whether the seller is MONDI IBERSAC, S.L.U. or MONDI BAGS IBERICA, S.L.U., respectively, expressly waiving any other jurisdiction that they may be entitled to.