

**General:**

All legal transactions concluded with our supplier shall be based exclusively on the underlying General Terms and Conditions. Any purchasing conditions of the buyer, even if transmitted in writing prior to purchase, which contain the written order or other business documents of the buyer, shall be waived from the start. In case no prior written or oral agreement stipulating that all legal transactions between the supplier and the buyer shall be based on these General Terms and Conditions, the acceptance of the delivery and services of the supplier constitutes an express agreement validating these conditions. If in individual cases no explicit written agreement has been made, the General Terms and Conditions also apply to future deliveries and services between the supplier and the buyer. Obvious mistakes, writing, calculation or arithmetical errors do not entail any obligations for the buyer.

**Offer:**

Provided there is no other express agreement, all offers are without engagement. Contracts and oral agreements become binding for the seller only when the written order has been placed.

**Price:**

The seller reserves the right to raise the agreed prices in case of wage or price hikes. Provided there are no other agreements, the prices for contracts are considered valid for the production of uniform goods. Provided no other agreements have been confirmed in writing, all prices apply ex-works, excluding value added tax. Should fees, taxes, or other charges be levied in connection with the delivery, they shall be borne by the buyer.

**Payment conditions**

- a) Payments are considered settled only after the buyer has received the credit slip of the money institute. Checks are accepted only for payments.
- b) Interest on defaulted payment. In case the payment deadline has been defaulted, the buyer falls in arrears without a reminder being issued. In case of payment default on the part of the buyer, we are entitled to charge an interest amounting to 8% above the discount rate of the Austrian National Bank applicable at the time. The defaulting buyer is obliged to remunerate all dunning, payment collecting charges, cost of data collection and information, especially dunning and collecting charges of the Kreditschutzverband of 1870 or a lawyer we consulted. Changes in the evaluation of the buyer's credit standing, e.g. a defaulted stipulated date of payment, slow payment, receipt of unfavourable information, etc. entitle the seller to demand that the buyer secure or advance payment before manufacture or delivery of goods, even if not initially agreed. In this case, the delivery can only be executed against advance payment or cash on delivery. All relevant interest and charges (e.g. collection and discount charges) are payable by the buyer. Discount charges, bill charges, and interest on defaulted payments (currently 8%) are payable immediately. The buyer is not entitled to retain or offset payments due to warranty claims or any other counterclaims. Accounting claims of any nature made against the seller may not be assigned to third parties. All bonuses and rebates are dependent on due entry of complete payment.

**Delivery and passage of risk:**

Provided no other written agreements have been concluded, the mode of shipment is at the discretion of the seller. Shipment is always at the receiver's or seller's risk. No liability for any damage or loss during transport is assumed. The seller is not obliged to take up an insurance. In the event of exceptional conditions which cannot be controlled by the seller (cases of force majeure), the ordered goods can be stored at the forwarding agent or in the seller's factory storage in accordance with the obligation to deliver at the risk and expense of the seller. Basically, the goods and their transport shall be insured only upon the buyer's express wish.

**Period of delivery, impossibility of performance**

Every delivery agreement is valid from the receipt date of the written contract or as soon as the seller has received the final approved printing and manufacture documents. The dates confirmed or decided by the seller are only approximate and not binding in nature. Should the seller not receive a start date for the period of delivery, the latest of the following dates shall be considered the earliest start date for the period of delivery.

- a) date of contract confirmation
- b) date on which all technical, commercial, or other requirements have been fulfilled by the buyer
- c) date on which the seller receives a payment or security from the buyer due before the delivery of goods. If delivery is delayed, the seller assumes no liability for damage claims, for penalties applicable in case of delayed delivery or interest on defaulted payment, for a hedge transaction, or for the right to rescind a contract because of delayed delivery. In case of force majeure and such exceptional conditions which emerge without the seller's doing, through which in-time delivery or supply through the seller or his suppliers is permanently or temporarily rendered difficult or impossible (e.g. shortage of goods, road blocks, obstructed navigation, war-like events, revolts, orders from higher authorities, lack of provision with the necessary raw material and aids, breakdown of machines, fabrication facilities, or power supply), the seller may postpone delivery until the obstruction has been eliminated or rescind the contract.

**Protection of industrial property rights**

The drafts, drawings, printing plates, films and press plates provided by the seller remain the seller's property. Should the seller have received certain use instructions together with a delivery or with samples, models, drawings, blueprints, or other patterns in connection with the execution of a delivery, the buyer placing these orders is obliged to make sure that the seller is not made liable for copyright infringements nor for the infringement of protected brands or samples provided by third parties. This liability on the part of the buyer entails keeping the seller indemnified and saved harmless.

**Product liability**

The obligation to pay resultant material damages according to the Austrian Product Liability Act, Federal Law Gazette No. 99/1988, and product liability claims due to slight fault, which may be derived from other provisions, is ruled out. This limitation of liability must be fully assigned to any receiver/buyer, with the obligation to further assignment.

The seller is not liable for slight negligence, the compensation for consequential damage and economic loss, non-achieved savings, interest lost, and for damages through claims from third parties.

**Warranty and defects, admissible deviation from required-quality, amount, dimension and weight**

The seller is liable for the quality of the delivered goods – provided no separate agreement has been concluded – only according to the samples he presented to the buyer. All warranties for the quality of the delivered goods is contingent on the proper handling of the goods. Complaints relating to the delivery due to slight deviations of the goods compared to the samples as regards design, dimension, colour, gluing, and material in case of a change of the quality of the material used are admissible or shall be rejected. Individual parts of the delivery that deviate from the delivery average may not be used for evaluation. The seller is liable for the durability of the paper, printing colours, accessory and artificial materials as well as for their safety in the framework of the warranties provided by their own subcontractors only. The goods must be examined at their destination, immediately after receipt; they are considered cleared if no defect complaint is received by the supplying plant within eight days after receipt of the destination. The seller is liable for hidden defects not recognised in spite of immediate examination only if the defect complaint is submitted by the supplying plant within 30 days after the goods have arrived at destination. In case of deliveries that do not conform to contract provisions, the buyer can, with the exclusion of all other claims, merely claim and adequate reduction of the purchase price or the delivery of flawless goods against the return of the delivered goods.

**a) Deviation in quality:**

- (A) critical non-compliances, which reduce significantly the possibilities to use the sack or which make the sack completely unusable for its designed purpose.
- (B) significant (but not critical) non-compliances, which affect slightly the use of the sack, allowing its typical use or requiring some kind of care during sacking operations.

critical non-compliance (A) tolerances are admitted up to the following percentage limits:

- less than 5.000 sack batch 5 %
- 5.000 to 10.000 sack batch 4 %
- 10.000 to 25.000 sack batch 3 %
- 25.000 to 100.000 sack batch 2 %
- more than 100.000 sack batch 1%

The maximum limit shall be checked on the entire batch and not on part of it or on single pallets.

**b) Deviation in amount:**

The seller is entitled to the following deviations of the delivery amounts for all contracts: +/- 10%

**c) Deviation in dimension:**

The seller is permitted to have the following dimensional deviations in the delivery for all contracts: in width in length +/- 5 mm +/- 10 mm

**d) Deviation in weight:**

If the use of a paper with a specified weight is demanded, the following weight deviations of the processed paper in compliance with the European standard must be accepted by the buyer: +/- 4%. The permissible deviation is calculated based on the confirmed weight per square meter, but always relates to the average of the delivery as a whole.

**Place of performance, place of jurisdiction, applicable law**

The legal relations between the supplier and the purchaser are based exclusively on Austrian law. The standard procedure of referral to the national law of the buyer or any other legal area is waived, so that Austrian law applies in all cases. The exclusive place of performance and jurisdiction for all obligations resulting from this delivery contract shall be Leoben.

**Retention of title to ownership**

The seller remains the owner of the delivered goods until all payments of the delivery contract have been received. In any case, the processing or transformation of the delivery goods by the buyer is carried out on behalf of the seller. In case the delivery goods are processed together with other materials that do not belong to the seller, the seller obtains co-ownership of the new objects equal to the proportion of the value of the delivered goods as against that of the other processed materials at the time of contract conclusion. The buyer is entitled to sell the object of delivery by way of ordinary business transactions; the buyer shall, however, assign all claims amounting to the final invoice total (including value added tax) that result from reselling to his customers or third parties to the seller independently of the fact, whether the delivered goods are sold after having been processed or not. The seller is entitled to assert this claim.

**These general sales and delivery conditions**

apply exclusively to legal transactions between companies and are valid for all – also future – agreements and business transactions with Mondri Paper Sack Zeltweg GmbH. They are not applicable to legal transactions with consumers as defined in Section 1, par. 1, clause 2 of the Austrian Consumer Protection Act, Federal Law Gazette 140/1979.

**Buy Online**

The sale by way of buy online shall be governed in addition by the following special provisions:

- a) We give any customer the opportunity of placing an order on-line through our web site [www.mondigroup.com](http://www.mondigroup.com).
- b) On request, the customer will be provided with a user ID and a personal master pass word along with instructions containing the technical requirements at customer's premises (these shall be established by the customer at his cost and risk; there will be no compensation upon termination of the buy online for any reason whatsoever, in particular also if we give notice). The customer is thereby able to produce and release on our server sub-authorizations. These sub-authorizations are either of the same scope as the master authorization or permit the placing of orders and the reading or permit only the reading. The master authorization may be used to modify or revoke a sub-authorization at any time.
- c) The issue and administration of sub-authorizations as well as the preservation and confidentiality of the master authorizations and the sub-authorizations shall be exclusively the customer's responsibility. We can only check whether a pass word is consistent with a properly released sub-authorization. We do not have to make any further checks.
- d) Any person that logs in by using a sub-authorization released on our server and the respective pass word shall be deemed authorized to take all legally effective measures in connection with orders and creation of print images, the modification thereof as well as consummation as against us. Such person shall as well particularly be deemed authorized to give the approval to print the print images. This shall also apply if such information - whether sent as encrypted text or clear text - is read by unauthorized persons (in particular „hackers“) either at customer's premises or in the Internet.
- e) Orders may only be placed for such products for which precise specifications have already been agreed in advance.
- f) The customer shall check the draft of the print image for any faults whatsoever before giving the approval to print. With giving this approval the customer irrevocably agrees to the printing of this template. Subsequent changing of the template (and therefore subsequent trouble shooting as well ) can only be made at the expenses of the customer.
- g) An order may only be placed if all obligatory fields (indicated with a star) are completed. Before sending the order, the customer is provided with a schedule of the contents of the order and prices which he may correct or confirm. We will confirm receipt of the order through an automatically sent e-mail, which is, however, no acceptance of the order. Messages are received by us only during regular business hours (Monday to Thursday from 8:00 a.m. to 4:30 p.m., Friday 8:00 a.m. to 15:00 p.m., except for public holidays in Austria). Any messages arriving on our server outside these hours shall be deemed received only on the next working day.
- h) The Contract becomes effective only if we check the order, marking it as „confirmed“ among open orders. Customer need not be provided with a separate notice of acceptance. Unless the order is entered as „confirmed“ within 5 days after sending, it shall be deemed refused.
- i) We will save the accepted order, retrievable by the customer under open orders at any time. He may also view the internal stage of the order.
- j) The customer knows that the Internet is no safe communication medium and that information which is transmitted through the Internet can, on the one hand, become known and, on the other hand, be modified by third parties. The customer bears the risk that we might not receive information or that information might not be received in the form sent. We may rely upon the fact that information was sent by the customer in the form as received by us.
- k) We are not liable for any functioning of buy online without any interruption. We are entitled to carry out work which may require a shut-down at any time, also without prior notice. We are not obliged to provide a certain capacity of the connection and of the server so that overloads and longer response periods have to be taken into account.
- l) We may fully discontinue the buy online at any time without stating any reason with one month's prior notice (date of sending of the notice).
- m) The customer acknowledges that the information provided in the course of the order and the handling of the order may be compiled, processed, saved and used for accounting purposes and for internal market research and marketing purposes. We will use the information to ensure compliance with statutory provisions, for the handling of payment transactions and for advertising purposes. The customer also agrees to the data transmission to our clichésuppliers as our subcontractors. The clichésuppliers will use the information only for the purposed mentioned above.
- n) All business information between the parties as well as the provisions hereof shall not be disclosed to third parties. This provision shall survive the termination hereof.
- o) The information and recommendations provided in the course of buy online will be provided to the best of our knowledge. Nevertheless, we are not able to know and take into account all considerations underlying the customer's decision. Therefore, the customer is obliged before taking a measure to verify any information and recommendation we provided and to make his own decision. We disclaim all liability for incorrect information and recommendations, unless the customer proves that we acted with intent or gross negligence.