Mondi Szada Kft.

Standard Terms and Conditions

1. General Provisions, Scope and Effect

1.1 These Standard Terms and Conditions shall constitute a part of every delivery contract entered into by Mondi Szada Kft. Csomagolóanyaggyárak Korlátolt Felelősségű Társaság (H-2111 Szada, Hungary, Vasút u. 13.; Company Registration No.: 13-09-067453; hereinafter: “Mondi Szada Kft.”).

1.2 The Customer will be understood to have accepted these Standard Terms and Conditions when the Customer places an order with Mondi Szada Kft., takes over a shipment or partial shipment from it, or makes a payment to it. The Standard Terms and Conditions will apply to all future deals and transactions between Mondi Szada Kft. and the Customer (hereinafter jointly: “Parties”), whether or not this is expressly restated by the Parties.

1.3 These Standard Terms and Conditions will apply to the legal relationship between the Parties exclusively. The Customer agrees and accepts that if any terms and conditions set by it contradict or are otherwise incompatible with the Standard Terms and Conditions, the Standard Terms and Conditions will prevail. The Standard Terms and Conditions will also apply if Mondi Szada Kft., in awareness of the Customer’s differing standard terms and conditions, unconditionally fulfills an order and the Customer accepts the delivery.

No terms and conditions set by the Customer will be incorporated to the contracts concluded between the Parties unless Mondi Szada Kft. has given its express written consent to such incorporation.

1.4 If the Customer qualifies as a consumer within the meaning of the provisions of Act IV of 1959 on the Hungarian Civil Code, the following terms and conditions shall apply to the extent that they are compatible with the regulations on contracts concluded with consumers.

2. Entering into a Contract

2.1 Proposals made by Mondi Szada Kft. are for information purposes only. Any drawings, charts and data concerning weight, quantities and other measurements contained in or attached to such proposals indicate approximate figures, and Mondi Szada Kft. makes no guarantees whatsoever as to the validity or accuracy of such figures.

2.2 An order placed by the Customer with respect to specific goods will be treated as the Customer’s purchase offer. The Customer shall send its orders to Mondi Szada Kft. in a written form (by mail, e-mail, facsimile, etc.). When sending an order, the Customer shall also provide its tax No and Community tax No., if any.

2.3 A contract between the Customer and Mondi Szada Kft. will take effect if the relevant order placed with Mondi Szada Kft. is confirmed by it in writing. The terms and conditions of a specific contract will be determined by Mondi Szada Kft.’s confirmation of the order.
2.4 Any amendments to or modifications of a concluded contract shall be subject to Mondi Szada Kft.’s written consent.

2.5 Any and all proposal documents (including any calculations and expense budgets) will remain the property of Mondi Szada Kft.. Reproducing the documents, or providing them or granting third parties access to them is prohibited without Mondi Szada Kft.’s consent.

3. Deliveries

3.1 Delivery deadlines will always be treated as approximate times. Delivery periods agreed by the Parties will start when the Customer receives Mondi Szada Kft.’s confirmation of the relevant order, but not earlier than the date when all the information, documents, permits, licenses and approvals that are necessary for the fulfillment of the order and that the Customer is required to obtain under the Parties’ agreement are handed over to, and any advance payment that may be agreed upon is received by, Mondi Szada Kft..

3.2 A delivery deadline is considered to have been met if the Customer receives a notice before the deadline expires that the shipment is ready for dispatch or takeover.

3.3 Mondi Szada Kft. reserves the right to deliver advance shipments.

3.4 Mondi Szada Kft. reserves the right to deliver partial shipments, and the Customer shall pay fees for such partial shipments under the delivery contract on a pro-rated basis in return for Mondi Szada Kft.’s invoices.

3.5 In the event of a delay in the delivery of a shipment on account of a strike, unforeseeable service break-downs, delays by Mondi Szada Kft.’s suppliers, insufficient delivery capacity, shortage of raw materials, other events beyond Mondi Szada Kft.’s control and other force majeure events, the agreed delivery periods and deadlines shall be extended. If the circumstances causing the delay continue to exist for more than 60 days, the Parties will be entitled to waive and cancel the relevant contract after the end of the 60-day period.

3.6 If Mondi Szada Kft. fails to deliver a shipment for any reason other than those listed in Section 3.5 above, the Customer shall determine a fair and equitable new deadline (of at least four weeks). If the additional deadline expires, the Customer will be entitled to refuse to take over the delayed shipment.

3.7 If Mondi Szada Kft., through no fault of its own, is unable to deliver the goods in the quantity specified in the Customer’s order, it will be entitled to fairly and equitably allocate the available quantity among the Customer and its other contracted customers.

3.8 If the Customer is late in taking over a shipment or if Mondi Szada Kft. is unable to deliver a shipment in time due to a fault on the Customer’s part, Mondi Szada Kft. will be entitled to demand compensation for any loss or damage it may suffer, and reimbursement of any costs and expenses it may incur, in connection with such delay.

3.9 If a delivery cannot be completed due to fault on Mondi Szada Kft.’s part, any damages that may be payable to the Customer shall be capped at 10% of the purchase price of the relevant goods.
3.10 Mondi Szada Kft. will be liable for losses and damage attributable to faults in its products in accordance with the provisions of Hungary’s Act X of 1993 on Product Liability. However, Mondi Szada Kft.’s liability to pay compensation for losses and damage, whether caused by a breach of contract or otherwise, shall be limited to those losses and damage which have resulted from the willful misconduct or gross negligence by Mondi Szada Kft., or any of its authorized representatives or collaborators hired to assist in the performance of a contract. The Customers agrees, understands and acknowledges that Mondi Szada Kft.’s liability shall be capped at the net purchase price of the relevant goods.

Mondi Szada Kft. shall not be liable to the Customer for any incidental or consequential damage, loss, cost or expense caused by, or incurred due to, a breach of contract or otherwise, or for any claim for compensation for any incidental or consequential loss or damage.

3.11 The Customer agrees, understands and acknowledges that in view of Section 314(2) of the Hungarian Civil Code, Mondi Szada Kft. has factored the liability capping and/or disclaimer provisions of these Standard Terms and Conditions into the purchase price quoted in the relevant contract as a reducing factor. The liability capping and/or disclaimer provisions will not apply to breaches of contract that are caused willfully, by gross negligence or through criminal conduct, or that result in death, bodily harm or damaged health.

4. Dispatch of Shipments and the Transfer of Risk

4.1 The place of performance of the contracts is Szada, Hungary.

4.2 The risk of damage to the goods will transfer to the Customer when the shipment is handed over in Mondi Szada Kft.’s premises to a freight forwarder, a carrier or any other entity engaged to ship the goods, or when Mondi Szada Kft. notifies the Customer that the goods are ready for dispatch or takeover.

4.3 If the delivery of a shipment is delayed at the Customer’s request or to a fault on its part, the risk of damage shall transfer to the Customer on the first day of the delay.

4.4 If the Customer does not take over or ship the goods from Mondi Szada Kft.’s premises due to reasons beyond Mondi Szada Kft.’s control, Mondi Szada Kft. will store the goods for a period of 15 days starting on the day following the delivery deadline in a warehouse rented by it, or, in the absence of such a warehouse, in a warehouse of a quality generally used for storing such goods. Mondi Szada Kft. will have no obligation to store the goods beyond such 15-day period. In the above case, Mondi Szada Kft. will only be required to take out insurance policies at the request and cost of the Customer, and the Customer shall pay any and all costs and expenses incurred by Mondi Szada Kft. in connection with the storage of goods in any of the warehouses specified above.

4.5 Mondi Szada Kft. will be entitled to select the packaging of a shipment, the vehicle and the mode of transportation with full exclusion of liability if the Customer does not give any instructions with respect to such issues when the order is placed. If the goods are shipped on pallets provided by Mondi Szada Kft., it will bill the Customer for the pallets together with the goods delivered, and the price of the pallets will be payable under the same terms as the price of the goods. Mondi Szada Kft. offers an option under which the Customer, if agreed between the parties in advance and in writing, will have the opportunity once every quarter (or once every month, if the parties so agree in a separate written agreement) to replace the pallets shipped by Mondi Szada Kft. in the relevant period with new first-class MÁV-EUR pallets and return such replacement
pallets to Mondi Szada Kft. Mondi Szada Kft. will examine the returned replacement pallets, and if it finds that they are first-class, undamaged and in the required number, it will credit the Customer for the originally billed price of the pallets.

4.6 Mondi Szada Kft. will only take out any insurance policies with respect to the shipment, packaging, storage, etc. of the goods at the Customer’s express request and at the Customer’s cost.

5. Payment Terms

5.1 All prices quoted in Mondi Szada Kft.’s proposals and confirmations are net prices and do not include any value added tax that may be payable under Hungarian regulations at the statutory rates. The prices do not include any costs and expenses associated with packaging, insurance and shipment, the costs of preliminary operations (e.g. pre-printing) or reproduction, or the costs of plates, or any other ancillary costs and expenses that may be incurred in connection with the importation and exportation of the goods, such as export fees, export and import duties and other taxes, and the Customer shall bear such costs and expenses in addition to the price.

5.2 Prices quoted by Mondi Szada Kft. will be valid for no more than three months after the date of the relevant proposal. If there is a change of more than 5% in the prices of raw materials within such period, Mondi Szada Kft. shall be entitled to adjust its prices accordingly.

5.3 Unless the Parties agree otherwise in writing, the total price (gross value) indicated on an invoice issued by Mondi Szada Kft. shall be payable within 30 days of the date of the invoice, without any deductions.

5.4 Mondi Szada Kft. does not accept promissory notes. No check will be deemed as accepted by Mondi Szada Kft. until it has cashed such check.

5.5 The Customer will be considered to have defaulted on a payment if it fails to pay the total amount indicated on an invoice without any reduction by the agreed deadline. A payment will be considered made when the total amount of the invoice is credited to Mondi Szada Kft.’s bank account. As of the day when the Customer defaults on a payment, Mondi Szada Kft. will be entitled to charge interest on the unpaid amount at twice the then-current prime rate of the National Bank of Hungary, but it also reserves the right to charge higher rates if it can prove that it has suffered interest losses at such higher rate. Additionally, the Customer shall bear any and all costs and expenses that may be incurred if such payment is collected in an out-of-court settlement and/or by litigation.

5.6 If the Customer defaults on the payment of any of Mondi Szada Kft.’s invoices, all unpaid debts owed by the Customer to Mondi Szada Kft. shall immediately become payable regardless of their due date. In such a case, Mondi Szada Kft. will be entitled, until the relevant invoice is paid, to reject performance under the underlying contract, to waive and cancel the contract or to demand the payment of an advance or the provision of a security. This shall also apply to the case where Mondi Szada Kft. becomes aware of circumstances that may cause it to question the Customer’s solvency, such as the rejection of checks issued by the Customer or the Customer’s defaults on other payments. In the event of a default by the Customer, Mondi Szada Kft. will use the amounts it receives to repay amounts owed in the following order of priority, in accordance with Section 293 of the Hungarian Civil Code: costs and expenses, interest and principal (and the invoice with the earliest due date being paid first).
5.7 The Customer will not be entitled to set off any of its counterclaims against debts owed by it unless such counterclaims have been accepted by Mondi Szada Kft. or ruled to exist in a final and binding court decision.

6. Title Retention

6.1 Goods delivered by Mondi Szada Kft. to the Customer shall remain the property of Mondi Szada Kft. until the Customer pays any and all debts owed by the Customer to Mondi Szada Kft., including any future debts.

6.2 The goods delivered to the Customer by Mondi Szada Kft. with title retention may be sold by the Customer in its normal course of business in return for immediate payment or with the retention of Mondi Szada Kft.'s title, but the Customer will not otherwise be entitled to have disposal over the goods, and it therefore may not pledge them or transfer the title to them as a security.

If the goods delivered to by Mondi Szada Kft. with title retention are combined by the Customer with other goods not owned by Mondi Szada Kft. through processing, transformation, amalgamation, blending or installation, then Mondi Szada Kft. will own a part of the newly created goods in the ratio of the value of the goods delivered by Mondi Szada Kft. with title retention to the value of the other goods as at the time of the processing, transformation, amalgamation, blending or installation.

The Customer's rights under this Section shall cease to apply if it defaults on a payment, a liquidation procedure is launched against it or Mondi Szada Kft. requests under these Standard Terms and Conditions that the goods be returned.

6.3 The Customer hereby assigns to Mondi Szada Kft. and Mondi Szada Kft. hereby accepts the assignment of any and all debts owed to the Customer on account of the sale of goods delivered by Mondi Szada Kft. with title retention (the sales price plus VAT) and any rights attached to such debts. If the goods delivered by Mondi Szada Kft. with title retention are sold at the same price as other goods not owned by Mondi Szada Kft., or if such goods have been processed, transformed, or amalgamated or blended with, or installed in, other goods, then the assignment will only apply to that part of the sales price which is equal to the value billed by Mondi Szada Kft. for the goods it owns, plus VAT.

6.4 Until the title to the goods transfers to the Customer, the Customer shall store and safeguard the goods (including goods that have been processed or transformed, or amalgamated or blended with, or installed in, other goods) in accordance with the relevant professional standards at its own cost, and protect such goods from any and all damage.

6.5 With respect to the goods received from Mondi Szada Kft. with the title retention, the Customer shall take out a liability insurance policy providing full coverage against all risks (and in particular, against acts of God, damage and theft) and a property insurance policy naming Mondi Szada Kft. as the beneficiary. The Customer shall ensure that the insurance policies continuously remain valid and, at Mondi Szada Kft.'s request, present evidence of such validity. The Customer hereby assigns to Mondi Szada Kft. and Mondi Szada Kft. hereby accepts the assignment of any and all claims that may exist under the insurance policies specified above.

6.6 Until it receives a notice to the contrary, the Customer will be entitled to collect debts assigned to Mondi Szada Kft.. Any assignment or pledging of such debts shall be subject to Mondi Szada Kft.'s written consent.
6.7 If the Customer defaults on a payment or fails to comply with any of its obligations existing in connection with the retention of title to the goods, Mondi Szada Kft. will be entitled to set a 14-day additional deadline for the Customer to make the relevant payment or to comply with the relevant obligation.

If the additional deadline expires without the Customer making the payment or complying with the obligation, or if Mondi Szada Kft. becomes aware that the Customer’s financial situation has deteriorated significantly or that it is subject to a liquidation procedure, Mondi Szada Kft. will be entitled to waive and cancel the relevant contract and repossess the goods delivered to the Customer at the Customer’s cost. For this purpose, the Customer shall send an accurate statement of all goods that have been delivered to it with title retention and that are still in its possession, and it shall store such goods separately from other goods and release them to Mondi Szada Kft.. The Customer authorizes Mondi Szada Kft. and its representatives and employees to enter rooms or buildings where such goods are stored in order to inspect or repossess such goods. If the goods are repossessed, the Customer also authorizes Mondi Szada Kft. to remove from its premises all or a part of the goods that are in its possession.

If the additional deadline expires without the Customer making the payment or complying with the obligation, or if Mondi Szada Kft. becomes aware that the Customer’s financial situation has deteriorated significantly or that it is subject to a liquidation procedure, Mondi Szada Kft. will also be entitled without any limitation to sell the goods and to collect the assigned debts itself. The income from such sale and collection will count against the sales price billed to the Customer. In such a case, the Customer shall, upon receiving a notice from Mondi Szada Kft., inform the debtors of the assigned debts about the assignment in writing, and it shall provide Mondi Szada Kft. with all the information that may be required for Mondi Szada Kft. to exercise its rights, and the Customer shall hand over and send to Mondi Szada Kft. all the documents that are necessary for this purpose. If a debtor is informed by the Customer, the debtor may only pay the debt to Mondi Szada Kft.. If a debtor is informed by Mondi Szada Kft., these Standard Terms and Conditions shall qualify as a confirmation within the meaning of Section 328(4) of the Hungarian Civil Code.

6.8 The Customer shall immediately inform Mondi Szada Kft. in writing about any actions (such as a seizure) taken by third parties with respect to the goods it received with title retention or the debts assigned to Mondi Szada Kft., and it shall prevent such actions by all appropriate means.

6.9 Mondi Szada Kft. agrees to release, at the Customer’s request, securities that are due to the Customer if the value of the securities exceeds the secured debts by more than 20%. Mondi Szada Kft. will have the right to select the securities that will be released.

7. Obligation to Inspect, Warranties

7.1 Mondi Szada Kft. provides its goods with markings and descriptions customarily used in commerce, and it uses its best efforts when preparing its processing guides, advice and recommendations. Without prejudice to the foregoing, product data and information on samples and plates cannot be understood as express promises concerning the properties of the products or as warranties by Mondi Szada Kft.. Mondi Szada Kft. does not warrant that its goods are suitable for the purposes intended by the Customer, as Mondi Szada Kft. cannot have full information on all the requirements that the goods must satisfy during processing or use.
7.2 When a new design is prepared, the Customer shall inspect, verify and approve the quality of the completed chromalin, the layout of its elements and the correctness of any text in it. The approved chromalin will be considered as the final version, and it will supersede all earlier versions and approvals.

7.3 The quality and quantity of the goods will be inspected and approved at the place of performance. The Customer will confirm inspection and approval of the goods by signing the waybill. When taking over the goods, the Customer will inspect the quantity of the goods. The Customer shall record any complaints it may have on the waybill. By signing the waybill, the Customer verifies that the quantity of the goods is as required, and Mondi Szada Kft. will not be held liable for any shortfall in the quantity of the goods after the goods have been taken over by the Customer.

After having taken over the goods, the Customer shall immediately inspect the quality of the goods, irrespective of whether the purchase has been made on the basis of a sample or whether the relevant chromalin has been approved. The Customer shall communicate any complaints concerning the quality of the goods to Mondi Szada Kft. in writing immediately, but no later than 7 days after the delivery of the goods. Faults and errors that are not readily visible shall be reported in writing immediately but no later than 3 days after they are discovered.

7.4 Faults or errors in parts of a shipment shall not constitute grounds for complaints against the entire shipment.

7.5 Mondi Szada Kft. shall take appropriate action to examine the Customer’s complaints within 7 days after the receipt of such complaints.

If the Parties are unable to reach a settlement with respect to a complaint within a reasonable period of time, they will hire the services of an expert selected by mutual agreement. The costs of the expert’s inspection will be borne by Mondi Szada Kft. if the complaint is justified, and by the Customer if it is not. The Parties will settle justified and verified complaints on the basis of the expert’s report.

7.6 In the case of a faulty delivery, Mondi Szada Kft. shall, at its own discretion, either repair the faults or errors or deliver a new shipment. The Customer shall accept such repairs or new deliveries. If the repairs or a new shipment delivery is unsuccessful or not possible, the Customer may, at its own discretion, waive and cancel the underlying contract or request a reasonable reduction in the purchase price. Repairs or deliveries of new shipments shall be considered unsuccessful after the second failed attempt. Carrying out repairs or delivering a new shipment shall be considered impossible if doing so would entail disproportionately high costs. The right to waive and cancel the contract may not be exercised on the grounds of immaterial faults and errors.

7.7 The Customer will not be entitled to withhold payments on the grounds of faulty deliveries.

7.8 The Customer may not enforce any warranty claims if it has resold or processed goods after it has discovered or should have discovered a fault or error. This provision shall not apply to cases where the Customer confirms that the resale or processing was necessary in order to avoid greater losses or damage and that the goods had a hidden fault or error before the resale or processing.
7.9 Mondi Szada Kft. will be entitled to deliver goods in a quantity larger or smaller by 10% than the amount agreed in the relevant contract without such delivery qualifying as faulty delivery within the meaning of these Standard Terms and Conditions.

7.10 Rights associated with warranties may be exercised for a period of 3 months.

8. Termination

8.1 Mondi Szada Kft. will be entitled to terminate a contract between the Parties with an 8-day prior written notice if (i) a bankruptcy procedure is initiated against the Customer, (ii) the Customer and its creditors reach a settlement in a bankruptcy procedure, (iii) the Customer convenes a creditors’ committee, (iv) a liquidation, voluntary liquidation or any other insolvency-related procedure is initiated against the Customer or (v) the Customer is in default of a payment for more than 45 days. In such a case, Mondi Szada Kft. will be entitled to withhold partial payments made by the Customer in order to satisfy its claims for damages and/or interest payments.

8.2 Mondi Szada Kft. will be entitled to terminate a contract between the Parties with immediate effect if the Customer breaches the confidentiality obligations agreed in these Standard Terms and Conditions or in a separate contract between the Parties, or makes statements or takes actions that are clearly injurious to Mondi Szada Kft.’s business reputation and integrity.

9. Copyrights

Mondi Szada Kft. will only be held liable for any violation of rights pertaining to patents, samples, trademarks and other similar rights in connection with the fulfillment of any of the orders placed by the Customer to the extent that such violation attributable to a fault on Mondi Szada Kft.’s part. Mondi Szada Kft. agrees to store manuscripts, original copies, printing equipment, carrier media, prints, printed materials etc. provided to it by the Customer at the Customer’s risk. The Customer will be responsible for taking out an insurance policy with respect to such items.

10. Export

The Customer will be responsible for monitoring foreign trade and other laws, statutes and regulations in the country of delivery. The Customer shall inform Mondi Szada Kft. about unique requirements existing under such laws, statutes and regulations, and it shall be liable to indemnify and hold Mondi Szada Kft. harmless from any and all losses or damage suffered by Mondi Szada Kft. as a result of breaching or violating such laws, statutes or regulations. Without prejudice to the foregoing, the Customer will be responsible for obtaining all required import and export permits.

11. Data Protection

Mondi Szada Kft. will treat all personal information that it becomes aware of in its business relationship with the Customer in accordance with the relevant regulations.
12. Jurisdiction and Governing Law

The Parties agree that all disputes arising under or out of a contract between them, or in connection with the execution and delivery or effect of such contract, including disputes under regulations on checks, shall be submitted to the exclusive jurisdiction the Court of the Town of Gödöllő or the Pest County Court, as applicable on the basis of the value in dispute. Nevertheless, Mondi Szada Kft. reserves the right to file petitions against the Customer with the court that has jurisdiction in the place where the Customer’s registered office is located.

Should any provision of these Standard Terms and Conditions, or any part thereof, be or become invalid or unenforceable, it shall not affect the validity and enforceability of the remaining provisions of the Standard Terms and Conditions. The Parties agree to replace the invalid or unenforceable provision by adopting a provision with a meaning that is as close as possible to the economic and legal intent of the original provision.

The legal relationship existing under these Standard Terms and Conditions is subject to the provisions of Hungarian law.