



Mondi KSP, Inc.

TERMS AND CONDITIONS OF SALE

1. General

- a. All quotations, order confirmations, and shipments are wholly subject to the following terms. Your acceptance of the terms and conditions stated here shall be conclusively presumed from your failure to reasonably object in writing and from your acceptance of all or any part of the material ordered.
- b. Any deviations from the general terms and conditions or purchase conditions of the Buyer, including but not limited to order forms or confirmations, are herewith objected to.

2. Contract Information

- a. Quotations provided are done so without obligation. All prices, whether named here or later, quoted or proposed, will be attuned as needed, to the Seller's price at the time of shipment.
- b. Should seller make additions to any agreements, said changes will not be effective until written acknowledgment is provided. Subsequent changes in orders, including quantity, quality, price, and delivery are only permissible if no additional costs have been incurred. In the event extra costs are generated, the Buyer will be charged for those costs accordingly.
- c. Only upon written confirmation will contractual agreements between Buyer and Seller be recognized. Orders received by salesperson, distributors, or other representatives on behalf of Seller must be confirmed in writing by the Seller.

3. Delivery Time

- a. Delivery times will be defined and are to always be acknowledged as approximations. Likewise, no items will be prepared for delivery until Seller fully understand all elements of the order upon receiving all details necessary to execute the order.
- b. The Seller shall be excused for any delay in performance due to acts of God, war, riot, embargoes, acts of civil or military authorities, fires, floods, earthquakes, earth movements, accidents, strikes, labor unrest, delays in transportation, shortage or interruption of transportation, fuel, electricity, labor or materials, or any circumstance or cause beyond the control of Seller in the reasonable conduct of its business.
- c. No damage claims of any kind can be made for delays in delivery of the order. Seller shall not be liable for any consequential or incidental damages resulting from a delay in delivery.

4. Passing of Title, Shipment and Freight

- a. All applicable delivery charges are at the expense of the buyer. Likewise, shipping is at the risk of the Buyer. If the Buyer desires insurance, it must be arranged by and at the expense of the Buyer. Therefore, it is only taken when specifically requested by the Buyer, and risk, including loss, damage to, or destruction of merchandise from the point of shipment on, shall be with the Buyer.
- b. Unless other arrangements are made in writing, shipments will be made FOB from Seller's manufacturing facility.

5. Terms of Payment

- a. The invoice amount for domestic sales is due 30 days from date of invoice. When overseas, it shall be 90 days after BL date.
- b. All invoice amounts shall be payable regardless of and without any setoff or counterclaim.



- c. Delinquent payments will bear interest at the rate of 1.0% per month.
- d. Any taxes which the Seller may be required to pay or collect, under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use, or consumption of any of the material covered hereby, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Buyer, who shall promptly pay the amount hereof to the Seller upon demand.

6. Solvency

- a. The buyer hereby declares that it is a solvent entity and furthermore implies that this remains true at the point of each order. This renewal can be reasonably assumed unless notice to the contrary is provided in writing by the Buyer to the Seller at or before the shipment of goods.

7. Delivery, Risk of Loss

- a. Seller may hold the merchandise until Buyer inspects or furnishes the necessary instructions or may treat such failure as a breach, namely in instances where Buyer is required to inspect the merchandise prior to delivery or to give shipping instructions and fails to do so on a timely basis. The Buyer will be invoiced for any portion of the purchase price which has gone unpaid. Seller shall be entitled to bill Buyer for all handling, storage, and other costs incurred by Seller as a result of such failure, payable upon Buyer's receipt of invoice from Seller.

8. Claims

- a. In the event that Buyer receives a shipment which appears to not conform to the contract established between Buyer and Seller, Buyer shall immediately notify Seller of such conditions, affording Seller a reasonable opportunity to review the matter. No material shall be returned without the Seller's consent.
- b. Any claims issued by the Buyer are to be brought to the Seller's attention by way of registered mail as well as an email submitted to both JG.Kim@mondigroup.com and Charles.Kim@mondigroup.com, within no more than seven days of receipt of merchandise. Concealed defects are to be brought to the attention of the Seller within three days of discovery, but no later than six months after delivery of the merchandise. Defects which apply to only a part of a shipment cannot be extended to apply to the entirety of the shipment.
- c. Customary deviations from quality, measurements, and quantities shall not form a basis for a claim, except as expressly agreed by Seller in writing. Abnormalities in color tone, the positioning or the imprinting, as well as the quality of the material itself shall not equate to a quality defect and does not designate a permissible reason Buyer to reject the goods delivered. All material, including that produced to meet an exact specification, shall be subject to tolerances and variations consistent with usages of the trade and regular practices concerning: dimension, weight, straightness, composition and mechanical properties: normal variations in surface, internal conditions and quality; deviations from inspection methods: and regular practices concerning over and under shipments such as waste of up to 3% in case of printed and ready-made goods, tolerances of +/- 10% in material strength for polyethylene as well as 3% for bag length and width as well as lay-flat width. Quantity difference of +/-10% in the ordered quantity is not subject to customer complaint.
- d. A claim will not be honored if Buyer has processed or sold the applicable merchandise after the defect was, or could have been, discovered.
- e. The goods we provide are described according to industry standards. Ergo, advice and recommendations and instructions regarding processing are provided to the best of our knowledge. Any additional damage claims of the Seller, which are based on usage of our merchandise, are excluded.

9. Buyer's Remedies

- a. Should materials which have been supplied to the Buyer fail to conform to contract stipulations, or to any expressed or implied warranty, it will be the Seller's responsibility to replace the effected materials at the original point of delivery and shall likewise provide instructions for its relocation, if needed. All applicable transportation



costs involved therein will be applied to the account of the Seller. It will be the Buyer's responsibility to determine which aspects of a shipment fail to match the contracted specifications, or to bring attention to any material or implied warranties, to secure the replacement of the aforementioned. The Seller will in no case be liable for the cost of any waiver expended on any such material or for any express or implied warranty.

10. Proprietary Rights

- a. If after production, preliminary designs, matrices, engraving, lithographs, tools, gravure cylinders, etc., cannot be used to produce the order, their production will be invoiced to the Buyer. Unless otherwise agreed upon, such items remain the exclusive property of Seller and shall not be subject to any claims of right or ownership by Buyer or third parties.
- b. Buyer shall indemnify the Seller against any judgment for damages and costs which may be rendered against the Seller in any suit brought on the account of the alleged infringement of any patent, intellectual property right, or trademark, copyright of any material, designs or specifications furnished or designated by the Buyer, provided that prompt written notice is given to the Buyer of the bringing of the suit that an opportunity be given to the Buyer to settle or defend it as the Buyer may see fit and that every reasonable assistance in settling or defending shall be rendered by the Seller. The Seller shall not in any event be liable to the Buyer for special, indirect incidental, or consequential damages arising out of or resulting from any alleged infringement.
- c. Seller will not be liable for any mistakes overlooked by the Buyer. Any corrections expressed over the phone must also be confirmed in writing.
- d. Any manuscripts, originals, printing plates, printing media, printed matters, drawings, slides, etc. which belong to a third party, shall be held by Seller only at the risk of the Buyer. Buyer shall be responsible for insurance coverage on these items.
- e. Proofs are to be examined by the Buyer with respect to type face, spellings, placement, and design and are to be returned to Seller when corrected.

11. Nonwaiver by Seller

- a. Waiver by the Seller of breach of any of the terms and conditions of this contract shall not be construed as a waiver of any other breach.

12. Governing law

- a. The laws of the Republic of Korea shall govern the contract and its performance, including the construction of these terms.

13. Arbitration

- a. All controversies or claims arising out of or relating to the merchandise or the contract between Seller and Buyer shall be settled by arbitration in accordance with the commercial arbitration rules of the Republic of Korean Arbitration Association. The parties may obtain discovery as provided in the Korean court of law or any successor rules. The arbitration hearing shall be held in Anyang city, Gyeonggi Province, Republic of Korea. The award shall be final, and judgment thereon may be entered in any court, provincial, or federal, having jurisdiction.

14. Severability

- a. Should any stipulation of these enumerated terms should be judged by a court or other competent authority to be unenforceable or prohibited in any province or other jurisdiction, then said stipulation will, exclusive to that stipulation only and the jurisdiction in which it applies, be deemed severed from the classification of unenforceability or prohibition. Separate from such a severance, all remaining terms and the contract itself shall remain in full force and effect.