

General Conditions of Sale – Mondi San Pietro in Gu

1. Scope

The current general conditions of sale apply exclusively and expressly between Mondi San Pietro in Gu S.r.l. (Mondi) and the buyer (together: the parties) by receipt of the deliveries and services (hereinafter uniform: deliveries) and also for any future deliveries in spite of any specific or general conditions which may occur on the purchase order or other documents of the buyer. Any departure from these general conditions shall be agreed upon in writing. Should one or more of these general conditions become invalid or ineffective for any reason, the other conditions will continue being valid.

2. Offer, Information, Conclusion of Contract

Any and all offers shall be not binding unless otherwise agreed in writing. Any data to quality as well as any information contained in data sheets, brochures and other information shall only be deemed as guiding principles and are without engagement. The same shall apply for the samples, sample rolls and the like provided.

The contract shall be binding only after the written confirmation of the order by Mondi. Additional modifications of the order data – caused by the buyer – shall entitle Mondi to correspondingly adjust the terms of contract influenced thereby. Any oral arrangements as well as additional modifications of the order data require the written confirmation of Mondi.

3. Prices, Terms of Payment, Delay

Unless otherwise agreed, the prices are ex works and exclusive of VAT. The buyer bears any fees, taxes and duties in connection with the deliveries.

Payments are not considered to be settled before the respective confirmation of Mondi's bank.

In the event of an overcoming of the payment period, the buyer defaults without demand note. Default of payment entitles Mondi to charge default interest according to D.Lgs. 231/2002 in compliance with Council Directive 2000/35/CE plus any costs and expenses necessary for the adequate debt collection.

Repeated cases of default of payment or changes in the evaluation of the financial standing of the buyer entitle Mondi to request the deliveries to be prepaid also in case prepayment was not agreed upon before. The buyer bears any costs and expenses resulting thereof.

The set-off of accounts or the retention of payments on the part of the buyer are excluded unless counterclaims are acknowledged in writing, undisputed or recognized by final and absolute judgment. Without prior written consent of Mondi the assignment of claims of the buyer to third parties is not allowed.

4. Delivery and Passing of the risk

Unless otherwise agreed, Mondi shall choose raw materials, manufacturing processes and the mode of dispatch. The packing shall be determined upon confirmation of the order. Transportation insurances shall only be concluded upon the buyers's explicit instruction and at his own expenses.

In cases outside Mondi's range of responsibility (force majeure), Mondi is entitled to store the ordered goods at Mondi's or at a carrier's premises at the buyer's risk and expenses, such effectuating the fulfilment of Mondi's obligation to deliver.

The risk for full or partial loss or destruction of the goods shall pass to the buyer at the latest upon arrival of the goods. If delivery is delayed due to circumstances within the buyer's range of responsibility, the price risk shall pass to the buyer at the date of notification of readiness for delivery. Mondi shall be entitled to bill the warehousing costs commencing one month upon the notification of readiness to dispatch, and to dispose of the goods at its own merits provided that an appropriate grace period expired without results. Any further claims are reserved.

5. Delivery Time, Partial Deliveries, Variances

Mondi's written confirmation of the order shall be authoritative for delivery time, mode and quantity. Mondi is entitled to partial deliveries provided that these are reasonable for the buyer.

Delivery periods shall apply only roughly unless explicitly guaranteed in writing to be binding. In case the beginning of the term of delivery is not fixed by Mondi, the term of delivery commences with the date of the confirmation of the order, however, not until all obligations incumbent on the buyer before delivery in accordance with the contract (e.g. technical, commercial requirements and the like) have been fulfilled. In case the buyer requires any modifications after acceptance of the order, the term of delivery shall commence only upon the written confirmation of the adaptation of such modifications by Mondi. The term of delivery shall particularly not commence until the buyer proves that – if contractually agreed – a letter of credit was opened, or that an advance payment or security was provided by the buyer. The term of delivery is met with the goods subject to delivery leaving Mondi's premises at the last day of the term of delivery at the latest, or with Mondi's notification that the goods are ready for dispatch within the term of delivery.

Mondi is entitled to quantity variances to the ordered quantity of up to 20% for standard goods of less than 20.000 pieces, 10% for goods from 20.001 to 50.000 pieces and up to 5% beyond 50.000 pieces, being customary in this trade and hence reasonable.

Unless otherwise agreed in the order's confirmation, Mondi will use its own standards for goods packing concerning, particularly, pallets dimension, number of bags per pallet and bags protection.

6. Warranties and Liability

The buyer is obliged to examine each delivery immediately upon arrival. Any apparent defects (including damage in transit), incompleteness of the goods or any other variances from the confirmation of the order have to be notified immediately upon arrival of the delivery at the destination in writing exclusively to Mondi and so departing from what provided by art. 1745 of Civil Code by specifying the defect, incompleteness or other variances, and quoting the invoice or transport's document number. Should possible damages due to transportation occur in buyer's opinion, the same buyer shall indicate them in the documentation of transport too, being stated what provided just above. Any hidden defects (including defects surfacing during manufacturing) have to be notified immediately after perceptibility assuming that hidden defects are normally detectable within a period of sixty days after arrival unless the buyer is able to prove that he could not have reasonably detected the defectiveness within that period. Upon request of Mondi specimen of the goods found faulty have to be sent back to Mondi. Any claims of the buyer because of defectiveness or incompleteness of the goods are excluded if the aforesaid obligations are not met.

The buyer has to immediately notify Mondi about any notice of defective goods of his customers concerning the delivered goods. If the buyer fails to meet this obligation, he shall not have any claims based on the defective goods against Mondi, nor shall Mondi be obliged to indemnify him.

Should an ascertained liability on the part of Mondi occur, Mondi shall have the choice to either rectify the goods or provide faultless substitution. In any case Mondi shall be liable only for and limited to the value of the goods delivered and subject to complaint.

Claims because of defects shall be excluded for negligible deviations from the agreed specifications and/or for only minor impairment of the applicability. Any claims for damages of all kinds, which were caused by improper handling or change of the goods or due to incorrect advising or instructions provided by the buyer shall be excluded. Particularly, Buyer's complaints shall not be admissible when concerning alterations caused by light or other agents or substances even just potentially harmful or when concerning the consequences of improper storage of the goods. Referring to that, goods shall be preserved by the buyer, unless otherwise requested by Mondi, in a closed location protected from bad weather under temperature between 10° Celsius and 32° Celsius and humidity between 40% and 60%, free from packing and without pallets stacked on top of each other. Besides, Buyer's complaints shall not be admissible when concerning grammage difference for each sheet of paper and/or thickness of plastic film used for products processing inside the range +/- 5%, while for so called "laminated bags" the tolerance for each combined sheet runs inside the range +/- 10%. Laminated PET bags must be used

General Conditions of Sale – Mondi San Pietro in Gu

after 5 days from the production date indicated on the label present in each pallet.

Mondi shall not be liable in case of slight negligence (the burden of proof for gross negligence is on the buyer), consequential damages, financial loss, loss of profits, interest and third party claims. The buyer is obliged to fully assign these liability limitations to his costumers.

Any claims arising out of defective goods become statute-barred after expiration of 18 months upon products manufacturing. The warranties and liability of Mondi provided for in this clause are final except mandatory law provides otherwise. The liability limitations as set out in this clause shall also apply to Mondi's legal representatives, employees and/or other vicarious agents.

Goods subject to complaint by the Buyer shall be kept available for Mondi inspection for 60 days from the date of complaint, without prejudice to Buyer's obligation to provide rigorous proof of its complaints. Goods subject to complaint cannot be returned to Mondi without its written approval.

The material supplied by Mondi is suitable for food contact, according to Regulation EC 1935/2004 and to D.M. 21/03/73 and following revisions, amendment and supplements. In case of food alert please write to Cotact.Sanpietroingu@mondigroup.com.

Mondi is entitled to outsource part of the process and to use recycled paper

7. Force Majeure

All cases of force majeure, strikes, lock-outs, insufficient supply of material or energy, lack of transport means and similar events or circumstances outside Mondi's range of responsibility shall release Mondi from the obligation to fulfill the contract for the period and to the extent of these impediments. This shall also apply, if these circumstances occur to Mondi's suppliers. The circumstances described above shall not fall under Mondi's range of liability either, in case they occur during an already existing delay. Mondi shall inform the buyer of the start and end of such impediments as soon as possible.

8. Retention of Title

The delivered goods remain Mondi's property until all payments out of the delivery are effected and all other obligations towards Mondi are fulfilled. Any processing of the delivered goods by the buyer takes place on behalf of Mondi without imposing obligations on Mondi. If the delivered goods are processed with other goods not owned by Mondi, Mondi acquires a co-ownership on the newly produced goods pro rata the value of the delivered goods at the time of the processing.

The buyer shall be entitled to sell the delivered goods in the usual course of business. Any possible claims resulting from such sale shall herewith be assigned to Mondi in advance. In case of selling of goods co-owned by Mondi, the assignment shall apply in the same volume as this co-ownership. Mondi shall be entitled to collect the assigned sum.

The buyer is obliged to appropriately insure the goods still owned by Mondi against all common risks, particularly against fire, burglary or damage caused by water at his own expenses, to treat them cautiously and store them properly.

9. Intellectual Property Rights of Third Parties

The responsibility for the intellectual property rights in the ordered design of the goods as well as in all printed matters, drafts and completed specimens shall exclusively be borne by the buyer. In case of demands because of alleged infringement of the intellectual property rights of third parties, the buyer shall hold harmless and indemnify Mondi against all third party claims.

In case the specifications of the delivered goods are determined by Mondi, Mondi remains the owner of all intellectual property rights relating to this goods.

Mondi is entitled printing on the goods own or licensed trademarks, own reference code – also to guaranty goods tracing – and any sign that Mondi believes being necessary to identify the goods in the recycling process or to make it easier.

10. Place of Performance, Venue, Assignment of Rights, Applicable Law

The place of performance is agreed to be the place of residence of Mondi as set out in the offer.

The venue for all disputes resulting from the contractual relationship shall be Padova in Italy. This venue shall also apply for proceedings pertaining to bills of exchange, deeds or checks. Mondi shall, however, also be entitled to sue the buyer at his place of residence.

Each of Mondi's contractual obligations may as well be fulfilled by any other affiliated company of the Mondi Packaging group.

Any assignment of the buyers's rights and obligations out of the contractual relationship is only valid with Mondi's prior written consent.

These provisions shall exclusively be governed by the law of Italy, the application of the 1980 Vienna Convention on the International Sale of Goods is herewith excluded.

April, 27th 2015