

# **Mondi Poznan Sp. z o.o. with a seat in Dopiewo**

## **GENERAL SALES AND DELIVERY CONDITIONS**

### **§ 1. GENERAL RULING. ENTERING INTO CONTRACT.**

1. The terms and definitions used herein shall have the following meaning:
  - a. Supplier – Mondi Poznan Sp. z o.o. with a seat in Dopiewo,
  - b. Agreement– sales or delivery agreement, according to which Mondi Poznan Sp. z o.o. undertakes to sell or deliver packaging materials according to the provisions of the agreement and general sales and delivery conditions, and the Customer undertakes to buy and receive the aforementioned materials, according to the agreement and general sales and delivery conditions,
  - c. GSDC – this document, i.e. general sales and delivery conditions Mondi Poznan Sp z o.o.,
  - d. Customer – natural person, legal person or an entity not having the status of a legal person, who signed or intends to sign an agreement with Mondi Poznan Sp. z o.o.,
  - e. Printing Proof – printout of an enlarged graphical design shown on a foil, whereas because of the differences in the base and technology some deviations are possible.
2. The following GSDC are an integral part of all offers proposed by Mondi Poznan Sp. z o.o. and agreements entered by Mondi Poznan Sp. z o.o. regardless their form.
3. GSDC, The conditions of contract listed under section 1 apply to each business relation between the customer and MONDI POZNAŃ Sp. z o.o. irrespectively whether or not they have been referred to particularly when concluding the contract. The current version of the conditions shall be authoritative in any event and be either enclosed in the offer or sent to the customer.
4. Orders made by the Customer should indicate the date and (or) the number of the offer. Additionally an order specifies packaging type, amount, planned delivery date, means of shipment and other essential requirements together with a complete design (CD-rom with the design printout) and other requirements concerning the completion of an order.
5. An agreement is entered when an order placed by the Customer is confirmed by Mondi Poznan Sp. z o.o. in writing, by phone, fax or e-mail or when the supply is done without a separate confirmation. An order shall be executed on the conditions stipulated by Mondi Poznan Sp. z o.o. in the confirmation of the order.
6. On the day of entering the Agreement or before, the Customer is will submit to Mondi Poznan Sp. z o.o. the original or a certified copy of the following:
  - a. certificate from the register of companies – natural persons having their own business;
  - b. current excerpt from the National Register of Companies (KRS) – companies registered in KRS (in particular: partner companies, general partnerships, limited partnerships, limited partnership-joint-stock company, limited liability companies, joint stock companies, associations, funds);
  - c. Regon statistical number;
  - d. EU VAT Value Added Tax Identification Number together with a statement of VAT payer mentioned in § 2p6

## § 2. PRICES.

1. All prices are in EURO and are understood as net prices, unless the parties have agreed otherwise. The prices do not include VAT, custom duties, other transportation costs and fees, costs of packaging, costs of insurance, and like, unless parties agree otherwise. These shall be added to the invoice.
2. The costs of preparation works (pre-press), costs of cylinder engraving, reproduction and cliché costs related to the order as well as other occasional expenses shall be added to the prime cost.
3. Additional costs of material (400rm/colour) and machine downtime (2 hours since first print out is provided) created during print approval will remain as cost of Mondi Poznan Sp. z o.o. Value of time and material exceeding agreed standards can be added to value of delivery. If mentioned cost will be created due to missed quality of cylinders or material those cost will remain as Mondi Poznan Sp. z o.o. cost.
4. The Customer declare to come to the seat of Mondi Poznan Sp. z o.o. for the acceptance of the specimen in a time agreed upon in writing. The costs of the machine shut-down resulting from the Customer's delay or the extension of the time of color corrections can be added to the order.
5. Mondi Poznan Sp. z o.o. prices are valid within not more than 3 months from the issue date of offer. In case within this period of time a change of price exceeding 3% occurs (whether decrease or increase), Mondi Poznan Sp. z o.o. shall be entitled to adjust offer prices accordingly. EURO exchange rate is understood as an alteration of the raw material price in PLN.
6. The Customer authorizes Mondi Poznan Sp. z o.o. to issue VAT invoices without the Customer's signature.

## § 3. PAYMENT.

1. The Customer declare to pay for supply or sales within 30 days from the date of invoicing without a right to make any deductions, unless agreed upon otherwise. If the economic, legal or financial situation of the Customer deteriorates or if the Customer fails to observe the payment dates then Mondi Poznan Sp. z o.o. is authorized to make remaining supplies after a down payment by the Customer is made or a security or guarantee is laid down.
2. In case there is of a delay in payments Mondi Poznan Sp. z o.o. has a right to charge interests three times higher to the statutory interests. This shall not concern any other rights or claims of Mondi Poznan Sp. z o.o. on general conditions.
3. The Customer relinquish to hold in his/her possession any thing or hold any payment due to his claims towards Mondi Poznan Sp. z o.o. unless such claims prove to be indisputable or valid.
4. Mondi Poznan Sp. z o.o. has a right to charge the payments made by the Customer to balance the receivables of Mondi Poznan Sp. z o.o. that have been due for the longest period of time in the following order: procedure costs, interests, prime receivables. The Customer's indications as to any other way of charging the Customer's payments are not binding for Mondi Poznan Sp. z o.o.
5. Transfer to any third party any Customer's receivables towards Mondi Poznan Sp. z o.o. due to the sales of supply of products may be done only after Mondi Poznan Sp. z o.o. agrees to it in writing.

## § 4. WITHDRAWAL FROM THE AGREEMENT.

1. The Customer has a right to withdraw from the agreement or execution from a given order on the condition that he covers the costs borne by Mondi Poznan Sp. z o.o. for their execution. In particular ordered film, pre-press, cylinder bases and engraving, trials and others.

2. The Customer declare to pay the above costs within 7 days since receiving the invoice or charging note from Mondi Poznan Sp. z o.o.

## **§ 5. COMPLETION OF AN ORDER. TIME OF SUPPLY.**

1. Completion of an order by Mondi Poznan Sp. z o.o. includes the following stages:
  - 1) Ordering foil from a raw material supplier – the delivery time of raw material, depending on the raw material type and dates currently confirmed by a supplier of the raw material
  - 2) Graphic processing including:
    - a) 10 working days for preparation of Printing Proof, measured from the reception of a complete art-work (from Customer)
    - b) 10 working days for preparation of printing cylinders' bases measured from the acceptance of Printing Proof by Customer
    - c) 10 working days for engraving of printing cylinders measured from the production of cylinders' bases by the cylinders' supplier.
  - 3) Depending on the foil structure up to 15 working days since cylinder are engraved and raw material is delivered for production and leaving the goods at the Customer's disposal in Mondi Poznan's Sp. z o.o. warehouse.
2. Mondi Poznan Sp. z o.o. has a right to make supplies in stages as well as to follow different specifications to those included in the orders, in particular when it comes to color differences from the Printing Proof, differences in foil width and thickness, its color and number, on the condition that these differences do not significantly hinder or make it impossible the use of goods according to its destination. and shall be given to the Customer for acceptance. The Customer has also a right to introduce changes from the Printing Proof.
3. The Customer declare to approve the quality of print, arrangement of elements and correctness of texts of a new design with a signature. A confirmed print is the final version annulling all the previous confirmations and materials. Mondi Poznan Sp. z o.o. stores „color standards” during the validity period of the above final version.
4. If the parties did not previously agreed upon the time of supply, the Customer will specify the time and place of supply within 2 days since the date of receiving from Mondi Poznan Sp. z o.o. the notification of the readiness to make the supply. If the customer does not indicate the date of the supply during 7 days since receiving the notification then Mondi Poznan Sp. z o.o. shall issue an invoice and make a supply to the nearest storehouse of the Customer. The Customer declare to cover the costs of storing starting from the eighth day since the date of receiving the above notification equaling 2,5€ for each square meter of the storing area used by the goods which were not collected. Additionally the Customer declare to cover the costs of ineffective supplies, insurance and fees connected with the storing of the goods which were not collected.
5. If the time of supply specified by Mondi Poznan Sp. z o.o. is not observed due to causes not resting on the side of Mondi Poznan Sp. z o.o. or its sub-suppliers (in particular in the case of force majeure), Mondi Poznan Sp. z o.o. shall specify a new time of supply, not sooner however than the above reasons causes cease to exist. In such case the Customer is not entitled to claim from Mondi Poznan Sp. z o.o. any compensation. In case of an inability to fulfill and obligation due to force majeure during the period of 2 months, each party may withdraw from the execution of an order.
6. If the delay in supply is caused by Mondi Poznan Sp. z o.o., then the Customer is entitled to demand late fee for each full week of delay calculated in global sum to the equivalent of 1% of value of the delayed shipment whether full or partial and which shall not exceed 5% of the full value of order.

## § 6. SHIPMENT, TRANSFER OF LIABILITY.

1. The shipment of goods takes place from the Mondi Poznan Sp. z o.o. factory in Dopiewo. Unless alternative agreement has been made, transportation cost shall be covered by the Customer.
2. Title and risk of loss shall pass from Mondi Poznan Sp. z o.o. to the Customer upon delivery.
3. In case delay in transportation or delivery has been caused by the Customer, the risk of loss of the contractual products shall pass from Mondi Poznan Sp. z o.o. to the Customer from the receipt of notification that the goods are ready for shipment.
4. The goods shall be put on a trays and labeled according to the Customer's requirements or in case there are no such requirements by the Customer in a regular way, and the packaging and labeling of the goods shall be done according to Mondi Poznan Sp. z o.o. standard.
5. Unless parties agree other, the pallets shall be returned. If within 2 months since the time of delivery the Customer fails to return the trays then Mondi Poznan Sp. z o.o. shall include their price in the invoice.

## § 7. RESPONSIBILITY OF INSPECTION AND WARRANTY

1. If the Customer does not execute the right to accept the specimen during first print, this shall mean that the Customer waives the rights related to the guarantee and warranty as related to the correctness of the performed order.
2. The Customer shall be obliged to check the supplied goods thoroughly. The Customer shall notify Mondi Poznan Sp. z o.o. in writing of any detected defects within warranty period considering possibility to utilize by Customer a part of sort out quality goods. The Customer shall be responsible for unreported errors and defects or too late notification.
3. Defects in part of the shipment do not render the whole shipment improper.
4. Mondi Poznan Sp. z o.o. shall provide a quality guarantee for foils with cold seal lacquer and containing Pe for the period of 6 months, and for other foils a guarantee for the period of 12 months from the production date of the foil. Claims of quantities smaller than 2% of the value of a given shipment will not be considered.
5. Customer complaints shall be based on a written notification which identifies defects in the foil delivered by, on samples of the advertised goods, the description of the way in which the goods are to be stored and specifications of rolls with label descriptions.
6. Goods to which the complaint pertains shall be returned upon a visit of Mondi Poznan Sp. z o.o. representative in the Customer's plant and upon a preliminary overview of the defects.
7. After previous notification of a delivery and Mondi Poznan Sp. z o.o. permission, the Customer shall deliver the part of goods subject to complaint to Mondi Poznan Sp. z o.o. warehouse. At the same time the Customer shall indicate the part of purchased goods that has already been used. A report shall be made for the examination and shall be submitted to the Customer
8. Quantity differences of +/- 10% in the ordered quantity or quality differences in foil/paper density +/- 10% are not subject to customer complaint.
9. Mondi Poznan Sp. z o.o. shall have the right to select the way in which the guarantee obligations shall be performed (repair of the goods with defects or replacement with goods free of defects). In such a case, Mondi Poznan Sp. z o.o. shall cover the costs of materials, workmanship and transport. Costs incurred due to unjustified customer complaints shall be borne solely by the Customer.
10. Mondi Poznan Sp. z o.o. shall not be liable for losses like lost profits or indirect costs.
11. Upon unsuccessful attempts to repair to replace the goods with goods free of defects, the Customer shall have the right to demand lower prices or the execution of the contract with retroactivity. If the contract cov-

ers multiple shipments or varied shipments, the demand for retroactivity shall pertain only to the part of shipment with defects. The Customer shall waive any other claims in relation to the above.

12. The Customer shall be entitled to block the payments only if the defects are indisputable and confirmed by Mondi Poznan Sp. z o.o. and if the blocked payments are reasonably proportionate to the value of defects.
13. The Customer shall be responsible for the use of delivered goods. Mondi Poznan Sp. z o.o. shall not be liable for losses incurred due to the use of delivered goods. The Customer shall hold Mondi Poznan Sp. z o.o. harmless of any possible claims against Mondi Poznan Sp. z o.o. put forward by any third parties.

## **§ 8. RESERVATION OF TITLE**

1. The goods delivered shall remain the property of Mondi Poznan Sp. z o.o. until all receivables between the Customer and Mondi Poznan Sp. z o.o. are fully settled.
2. In case there be A/C, the Customer shall immediately notify Mondi Poznan Sp. z o.o. thereof.
3. The Customer shall have the right to continue the processing of delivered goods in the regular manufacturing process. However, he shall not have the right to claim the title thereof for security. If the goods are further resold, the Customer shall secure Mondi Poznan Sp. z o.o. title to the delivered goods subject to the reservation of title.
4. The Customer hereby transfers to Mondi Poznan Sp. z o.o. his rights to his goods up to the value of the goods reserved for Mondi Poznan Sp. z o.o.. Mondi Poznan Sp. z o.o. accepts the transfer.
5. In case of further processing, alteration or unification or increase of the amount of the reserved goods through their combination with other goods not produced by Mondi Poznan Sp. z o.o., the latter has a right to hold the title to the new manufactured goods according to the proportional value share of the Mondi Poznan Sp. z o.o. goods in the new goods that were manufactured through combination, mix or unification with the new goods.
6. Cylinders remain the property of Mondi Poznan Sp. z o.o.. Mondi Poznan Sp. z o.o. is obliged to store them for the period of 6 months, counted from the day of their use for last production. After that period and in case of lack orders of particular design Mondi Poznan Sp. z o.o. has a right to use the cylinders' bases after removing the previous pattern.
7. After 6 month from last production Customer is entitle to purchase bases of cylinder and to rent warehousing space at Mondi Poznan Sp. z o.o.. Then cylinders' bases will remain a property of Customer.
8. Customer can resign from the right of property of bases and Mondi Poznan Sp. z o.o. declare to buy them considering last purchase/sales value

## **§ 9. LIABILITY.**

1. Mondi Poznan Sp. z o.o. shall be liable for any losses suffered by the Customer only if such losses are inflicted as a result of a serious breach of any contractual commitment by Mondi Poznan Sp. z o.o. or its sub-suppliers or cooperators.
2. Any liability for non-direct losses resulting from breaching contractual commitments such as: lost profits or any other indirect losses is excluded.
3. The limitation of liability refers also to the partners and cooperators of Mondi Poznan Sp. z o.o..
4. Mondi Poznan Sp. z o.o. is not liable for breaching patents, reserved designs and other third persons' rights by the Customer as a result of ordering the goods.

## § 10. MISCELLANEOUS.

1. Copyrights – the Customer is charged with the drawings, cliches, printing cylinders, forms, etc ordered by him, also if they are not used the Customer during the validity of the Agreement. Unless stipulated otherwise they are the property of Mondi Poznan Sp. z o.o. and the Customer cannot reclaim them both for him or third persons.
2. Both the Customer and Mondi Poznan Sp. z o.o. shall keep in secrecy the conditions of the Agreements entered by them, unless reviling them is necessary according to the regulations or upon the request of proper authorities, with a reservation that the above conditions may be disclosed to the employees, tax and legal consultants and financing entities and potential investors.
3. If any provision of GSDC or the Agreement entered by the Customer and Mondi Poznan Sp. z o.o. is not valid because it breaches any provision of any legal Act it does not invalidate the remaining provisions of GSDC or the Agreement. In such case the parties shall jointly take necessary steps, in order to provide substitute provisions, aimed at achieving a similar economic goal to that of the provision that breaches any provision of any legal Act.
4. The provisions of the Civil Code apply in the matters not regulated by the these GSDC. The place of performance, the venue for legal disputes, the laws to be applied:
  - 1) The place of performance of the Agreement is the seat of Mondi Poznan Sp. z o.o. in Dopiewo
  - 2) Poznań shall be the venue for all legal disputes arising from the agreement;
  - 3) The laws of the Republic of Poland shall apply to all legal relations between the Customer and Mondi Poznan Sp. z o.o..

Thank you for recognition of above General Sales and Delivery Conditions