

General Terms and Conditions of Sale and Delivery

1. Scope

These general terms and conditions of sale and delivery govern our business relationship with our customers. Any differing, conflicting or supplementary provisions and conditions, in particular any general terms and conditions of the customer, **shall not become part of the contract, even if we are aware of them or perform delivery without expressly reserving our rights, unless we have expressly agreed to their validity in writing. Former practice, customs, agreement between the parties, furthermore, practices and customs widely acknowledged in the given sector and the market practice are excluded. The customer declares that it studied the clauses of these general terms and conditions marked in bold and explicitly accepts them.**

2. Offer, information, and conclusion of contract

An offer is only binding upon us once we have expressly agreed to it in writing, at least in text form e.g. offer issued by our sales system or per e-mail. All oral or written data and other information, whether contained in data sheets, brochures or otherwise, is deemed to be indicative only and shall not be binding on the parties. This shall also apply to any samples and the like which have been provided.

The acts of placing an order, accepting delivery and paying for delivery shall each be binding on the customer.

A delivery contract will only become binding upon us when we confirm an order in writing, at least in text form, e.g. per automatic confirmation by our sales system or per e-mail. Any changes which are subsequently requested or caused by the

customer will entitle us to adjust the conditions accordingly. **Oral agreements and amendments must be confirmed by us in writing in order to be effective.**

3. Prices, terms of payment, and default

Unless otherwise agreed, prices are ex works (Incoterms 2020) and net. The customer shall bear any applicable statutory value added tax, packaging and transport costs, other expenses, fees, levies, and other taxes and customs duties which are incurred in connection with deliveries. The prices stated in our offers are calculated based on prior raw material prices and production costs and are binding for us for orders placed within 30 days from the date the relevant offer was made. **We reserve the right to increase our prices in accordance with any cost increases that may have occurred.** The invoice amount is due in full within 30 days of the date of the invoice.

If the payment date is exceeded, we may, without prejudice to any other rights, charge default interest of 8% per annum above the six-month EURIBOR rate, and the customer will be obliged to indemnify us for any costs which we incur appropriately in collecting the debt in a reasonable manner. We may demand higher interest rates, if we incur them ourselves.

We may, at our sole discretion, require the customer to pay for deliveries in advance. In particular, if the customer defaults in payment or its financial circumstances deteriorate, we may require it to pay for deliveries in advance or to provide suitable security, even if this had not previously been agreed. The customer shall bear all costs incurred in this respect.

The customer may not set-off any counterclaims, unless we have

acknowledged them in writing, or they have been legally established. The customer is not entitled to a right of retention.

4. Delivery, and time of delivery

Unless otherwise agreed in writing, we shall make delivery ex works (Incoterms 2020).

If we undertake shipment, we shall determine the method of shipment and it will be at the customer's risk and expense. We will not take out transport insurance, except on the customer's express instructions and at its expense.

If the customer defaults or breaches its obligations to co-operate in its area of responsibility, the customer shall bear the risk from the time we notify our readiness to deliver. If the customer fails to accept delivery, we shall be entitled, without prejudice to our other rights, to invoice any storage or other costs which we incur and to dispose of the goods at our own discretion after we have granted a grace period and it has expired without success.

If we agree to store finished goods belonging to the customer and the customer fails to retrieve them on time, we shall be entitled to invoice for, and to deliver, the stored goods immediately.

Any delivery dates and periods which we specify are non-binding guidelines, unless we expressly state in writing that they are binding. If we exceed any expressly binding deadline without justification, the customer shall grant us a reasonable grace period.

Our duty to comply with our delivery obligations assumes that the customer has timely and properly fulfilled its own obligations, including in respect of earlier deliveries.

We are entitled to make partial deliveries if this is reasonable for the customer. The customer is obliged to accept deliveries which are up to 20% in excess or short for deliveries of up to 1,000 kilos, or up to 10% in excess or short for deliveries of more than 1,000 kilos, and we will invoice the customer accordingly. Such differences in quantity will not constitute a

defect and will not give the customer cause to complain.

Unless otherwise contractually agreed, the customer undertakes to accept individual orders in a single delivery immediately after production. Our minimum quantities for production orders are at least 500 kilos for extrusion orders and at least 5,000 production metres for printing orders.

If we store primary material in an appropriate manner for performing deliveries and this is no longer processed at the end of the contractual relationship, or there is a risk of its storage life being exceeded, we will endeavour to use it elsewhere. Failing this, we will invoice the customer for the primary material accordingly.

5. Warranty and liability

We only warrant that, at the time of delivery, the goods comply with (a) the agreed specifications and (b) all applicable statutory provisions. Under no circumstances do we give any warranty for the merchantability or fitness of goods or for their suitability for a particular purpose or filling.

We give a warranty period of twelve (12) months or a period corresponding to the durability of the goods (e.g. for orders with cold adhesive, a period of six months), whichever is shorter.

The customer is obliged to examine each delivery **immediately** after receipt. The customer must notify obvious defects (including transport damage), incompleteness of the goods or other discrepancies from the order confirmation in writing immediately after receipt of the delivery, stating the defects, shortage or other discrepancies and the invoice number. The customer must notify hidden defects (including defects occurring during manufacture) **immediately** upon discovery, and **it is assumed that hidden defects are usually detectable within 60 days of receipt**, unless the customer can prove that it could not reasonably have been expected to detect the defects within that period. **We may require the customer to return samples of defective**

goods to us. If the customer does not comply with these provisions, it shall not be entitled to reject the goods and we shall not be liable for their defects or any incompleteness.

In the event of defects, we shall be entitled, at our discretion, either to remedy the goods or to replace them. The customer is only entitled to a price reduction if we refuse to provide such a remedy or a faultless replacement, or if this is impossible or unacceptable for the customer.

We shall not be liable for minor differences from the agreed specifications, if it would be reasonable for the customer to accept them.

Unavoidable, especially technically caused, differences in colour tones, printing position and printing, or in quality and dimensions, will not, so long as they are customary in the trade, entitle the customer to complain. Nor shall we be liable for damages which are directly or indirectly attributable to the customer's instructions or specifications, the customer's improper handling of the goods or its modification of the goods. **We are not obliged to inform the customer of the unsuitability of its instructions or specifications.**

Correction proofs and all drafts must be checked by the customer for any errors (e.g. regarding print position, pattern repeats and dimensions) and declared ready for printing. We are not liable for any errors which the customer overlooks. Changes made by telephone must be confirmed in writing.

Insofar as we are obliged to pay damages (irrespective of the legal reason) within the framework of contractual liability or tort, we shall only be liable in the event of our gross negligence or intent, except as expressly otherwise agreed between the parties.

The above limitation of liability shall not apply to any claims against us arising from product liability or in the event of injury to life, body or health.

The amount of any damage claims justified on the merits shall be limited to the purchase price of the respective delivery,

except for cases of intent and gross negligence. **Any liability for lost profits and indirect consequential, special or unforeseeable damages shall be excluded to the extent permissible under law.**

6. Force majeure

We shall not be liable for any delay in performing or any failure to perform any of our obligations, and shall not be deemed in breach of contract, if such delay or failure is due to any cause beyond our reasonable control ("force majeure"), including strikes, lockouts, shortages in supplies of materials or energy, lack of means of transport and similar events or circumstances. This shall also apply if our suppliers are affected by an event of force majeure. If an event of force majeure occurs during an already existing delay on our part, any grace period which has been given to us shall expire only after the event of force majeure has ended. We will inform the customer of the beginning and end of an event of force majeure as soon as possible.

7. Retention of title, right to agree on floating charge

Goods which we have delivered will remain our property until the customer has paid us all amounts owed in connection with the relevant contract, and until all other obligations of the customer towards us arising from or in connection with the relevant contract have been fulfilled. The customer shall keep our delivered goods separately and placing our trademark, with the due care of a prudent businessman. Customer is obliged to inform us without delay if there is a threat of asserted rights of third parties (e.g. seizure). Customer undertakes to inform third parties of our ownership in order to ensure that their pledges or other security measures do not adversely affect our property.

The customer is entitled to sell the delivered goods within the scope of normal business operations. All claims arising from such a sale are hereby assigned to us in advance..

The customer is obliged to insure goods which are still our property against all usual risks, and in particular against fire, burglary or water damage, to handle them carefully and to store them properly, all at its own expense.

If the customer is in arrears with a payment, after taking a grace period of ten working days into account, we shall be entitled to demand the return of the delivered goods.

We are entitled to request from customer to agree on a floating charge on the delivered goods.

8. Tools, drafts, data, samples, and third-party property rights

Any printing plates, tools, drafts, digital data and the like which we produce shall remain our property, even if the customer makes a financial contribution to their production. We may delete cylinders 12 months after printing the first order, if no follow-up order has been placed by then.

We charge material, labour and manufacturing costs for drafts, sketches, reproductions, etchings, printing plates, proofs and other preliminary work which we produce, even if no order is placed. The right of reproduction is not transferred to the customer upon payment.

The customer is solely responsible for obtaining intellectual property rights to the commissioned design of the goods as well as to all printed content, drafts and finished samples, drawings, etc. The customer shall indemnify us against and hold us harmless from any and all claims, costs, damages and expenses (including legal fees) arising out of any actual or alleged infringement of any third party's rights.

Without prejudice to the above, the intellectual property rights in any product development, including but not limited to any specifications developed by us, and any samples, design rolls, designs, etc, shall remain our exclusive

property.

9. Confidentiality

The customer may, in connection with an order, obtain confidential information which is our property. Non-confidential information is information that has already been published or is otherwise generally known and information that the customer has independently developed. Confidential information may not be passed on to third parties or used without our written consent. Without prejudice to the above, the customer's obligation to maintain confidentiality and not to use our trade and business secrets and our manufacturing know-how shall not end upon termination of the contractual relationship.

10. Place of performance, place of jurisdiction, and applicable law

The place of performance shall be the place where our company is registered.

The law of Hungary shall apply exclusively under exclusion of the international private law norms and UN commercial law. The exclusive place of jurisdiction for any and all disputes arising from this contract shall be the competent court in Kecskemét, Hungary. However, we reserve the right to assert claims against the customer at another legally justified place of jurisdiction.

11. Other provisions

Each of our contractual obligations can be fulfilled by another Coveris Group company which has the appropriate qualifications.

The customer may not assign its rights or obligations without our prior written consent.

If any provision in these terms and conditions of sale and delivery, or any provision within the framework of other agreements, is or becomes invalid, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by another provision which comes

as close as possible to the economic and legal result of the invalid provision.

If we choose to waive the performance of any provision of these terms and conditions of sale and delivery or any other agreement, this shall not be deemed a permanent waiver of the enforcement of such provision. Any amendment to or variation of these terms and conditions of sale and delivery must be made in writing.

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