

General Terms and Conditions of Sale

7.9.2020

I. General

The following General Conditions of Sale (hereinafter "General Terms") shall govern the offering, sale and delivery of all goods and/or services (hereinafter "Products") from or on behalf of Wipak Oy or any of its affiliates in Wipak Group (hereinafter "Seller") to its customers (hereinafter "Buyer") unless specifically agreed otherwise in writing between Seller and Buyer. Buyer accepts the General Terms by ordering and receiving any Products (hereinafter "Contract"). Conflicting or divergent terms of purchase or other restrictions by the Buyer will not be accepted unless the Seller has given express consent in writing in each individual case.

II. Offers/Quotations, Orders

1. Any offers/quotations by the Seller in respect of prices, quantities, delivery times and availability are not binding until confirmed by the Seller in writing.
2. Orders by the Buyer shall become binding for the Seller upon the Seller's written or printed out confirmation (which may include invoice or delivery note).

III. Prices

1. The actual quantities delivered and/or services performed will be charged for at the Seller's prices valid at the time of delivery, plus the statutory Value Added Tax. The prices apply to delivery ex works.

IV. Payment

1. The Buyer shall pay each relevant invoice sent by Seller in respect of the Products without any deduction no later than thirty (30) days from the date of the invoice, if not otherwise agreed between the parties. Overdue payments shall automatically accrue interest in the amount of 8 per cent above the applicable current base rate of interest per annum.

2. Bills of exchange will only be accepted as payment upon the Seller's prior written consent. The maximum term of a bill of exchange shall be 90 days after date of invoice. Discount, bill charges, stamp duty on bills of exchange and similar taxes or duties chargeable as from 30 days after date of invoice shall be borne by the Buyer.

3. If there are justified doubts as to the solvency or creditworthiness of the Buyer and if the Buyer, despite requests to do so, is not willing to make payment concurrently upon delivery or to provide appropriate collateral for the performance of his obligations within a reasonable period, then the Seller shall, insofar as he himself has not yet performed, be entitled to terminate the contract with an immediate effect.

4. Payments shall not be deemed to have been effected until the sum is finally cleared in the designated Seller's account in the Seller's name.

5. The Seller shall use payments received to discharge the oldest invoice items due plus the accrued default interest and expenses in the following order: expenses, interest, and principal claim.

6. The Buyer shall only have the right of retention if and when his counterclaim has been recognized by declaratory judgment or is undisputed. The same applies to set-off rights.

V. Delivery and Shipping

1. Unless expressly stated otherwise in Seller's confirmation, all deliveries of goods shall be Ex Works Seller's production facility. Ex Works and all other trade terms shall be interpreted in accordance with Incoterms latest edition issued by the International Chamber of Commerce.

2. If a fixed delivery date has been agreed, the Buyer shall in the event of a delay in delivery grant a reasonable extension. Usually, this amounts to 4 weeks.

3. Delivery is subject to correct and timely supplies to the Seller by Buyer and third parties.

4. The Seller is entitled to deliver by instalments even without specific notice.

5. Returnable packaging (e.g. locking-ring drums, transport cassettes, steel cores, pallets), which the Buyer knows to be such, shall be properly treated by the Buyer and not used for other purposes, and shall be returned undamaged and clean to the Seller as soon as possible.

6. A separate written agreement between the Seller and the Buyer is required to store the manufactured goods in the Seller's premises for more than one day after finishing the products to be ready for delivery.

VI. Force Majeure, Impeded Performance

Force majeure of any kind, any unforeseeable operational breakdowns, transport or shipping stoppages, fire damage, floods, any unforeseeable shortages of labour, energy, raw materials or auxiliary materials, strikes, lockouts and any other industrial actions, government orders or other obstacles which are beyond the control of the party under obligation to perform and which diminish, delay, prevent or cause an unreasonable burden for production, shipping, acceptance of delivery or consumption shall relieve the affected party from the obligation to deliver or to take delivery for the duration and extent of the disturbance. If, as a result of the disturbance, the delivery and/or acceptance of delivery is delayed by more than 8 weeks, both parties shall be entitled to cancel the contract. If the Seller's sources of supply wholly or partly cease to exist, the Seller shall not be under obligation to lay in stocks from other suppliers. In this case the Seller shall be entitled to distribute the quantities of goods available, taking his own requirements into consideration.

VII. Reservation of Title

1. The goods shall not pass into the ownership of the Buyer until he has performed all his existing and future obligations arising from his business relations with the Seller, including subsidiary claims, claims for damages and the honouring of cheques and bills of exchange. Reservation of title shall continue even if individual claims of the Seller are entered into a current account and the balance is struck and accepted.

2. In the event that the Buyer is in default with the performance of his obligations to the Seller, the Seller shall be entitled to demand the return of the reserved goods without granting any extension and without rescission of the contract. The Seller's acceptance of the returned goods shall only constitute a rescission of the contract if the Seller has expressly stated such in writing.

3. In the event that the reserved goods are processed, the Buyer shall be deemed to be acting on behalf of the Seller without, however, accruing any claim against the Seller on account of the processing. Therefore, the Seller's reservation of title also covers the products resulting from the processing. If the reserved goods are processed together with goods owned by third parties, or if the reserved goods are blended, mixed or combined with goods owned by third parties, the Seller shall acquire co-ownership in the resultant products in the proportion of the invoice value of the reserved goods to the invoice value of the third party goods. If the reserved goods are blended, mixed or combined with a principal item of the Buyer, the Buyer shall herewith assign his ownership in the new object to the Seller.

4. The Buyer is obliged to hold the reserved goods in safe custody and maintain and repair them at his own expense on behalf of the Seller, and also to insure them at the Buyer's own expense against loss or damage within a scope expected of a diligent businessman. The Buyer shall herewith assign to the Seller in advance any claims arising from the insurance policies.

5. Provided the Buyer duly performs his obligations to the Seller, the Buyer shall be entitled to dispose of the reserved goods in the ordinary course of business; this shall not apply, however, if and to the extent that a non-assignability agreement in respect of the purchase money claim has been concluded between the Buyer and his customers. The Buyer is not authorized to pledge, transfer ownership by way of security or effect any other encumbrances. When reselling, the Buyer shall render the passing of ownership dependent upon full payment of the goods by his customers.

6. The Buyer hereby assigns to the Seller in advance any and all claims arising from resale of the reserved goods, together with any and all subsidiary and security rights, including bills of exchange and cheques, in order to provide collateral for any and all claims arising from the business relationship for the Seller against the Buyer. If reserved goods are sold jointly with other items at an overall price, the assignment shall be limited to the pro rata sum of the Seller's invoice for the jointly sold reserved goods. If goods are sold in which the Seller has co-ownership pursuant to Item 3 above, the assignment shall be limited to that part of the claim which corresponds to the Seller's share in co-ownership. If the Buyer uses the reserved goods to process or finish objects owned by a third party in return for remuneration, the Buyer shall hereby assign his remuneration claim against said third party to the Seller in advance for the aforementioned purpose of security. Provided the Buyer meets his payment obligations within due time, he himself shall be entitled to collect the receivables from resale or finishing. The Buyer shall not be authorized to pledge or effect any other assignments.

7. If it appears to the Seller that the realization of his claims is in jeopardy, the Buyer shall upon request notify his customers of the assignment and furnish the Seller with all necessary information and documentation. The Buyer shall notify the Seller without delay of any seizure by third parties of the reserved goods and assigned claims.

8. If the value of collateral to which the Seller is entitled exceeds by more than 20% the Seller's claims against the Buyer for which collateral is to be provided, then the Seller shall upon the Buyer's request be obliged to release collateral to that extent. The choice of collateral to be released shall be made by the Seller.

VIII. Order Changes

1. Confirmed orders are binding on both the Buyer and the Seller. Change requests made by the Buyer to the content or terms, including but not limited to, material-, service-, delivery- and payment-related items of a confirmed order are subject to acceptance by Seller. No changes are accepted later than 21 days before the planned ex works shipping date. All requested changes to the content or terms of a confirmed order subject all content and terms of the entire order to revision.

2. In the event a requested change is made to the confirmed order, the Seller is entitled to charge from the Buyer all expenses caused by such change. Any incurred costs, including but not limited to costs of working capital, financing and re-arrangements of production and logistics, caused by the changes will be charged from the Buyer.

IX. Printed Goods (Films), Third-party Production

1. The Seller does not warrant that all legal regulations relevant to the Buyer's field of activity are observed as regards the labelling/marketing and handling of the goods, nor does the Seller warrant that purchase orders executed to meet the Buyer's requirements and specifications do not violate the rights of third parties. The Buyer's requests and specifications are observed without obligation to verify. Should any third party assert a claim against the Seller in respect of protective rights relating to the execution of a purchase order, the Buyer shall compensate the Seller for any disadvantages caused to the Seller by such claim.

2. Copy submitted or confirmed by the Buyer as ready for press shall be decisive for the execution of printing work. Industrially customary minor variations (including register deviations) shall be acceptable.

3. Designs or other printing copy and tools produced by the Seller shall remain his property and may only be used in the course of business with the Seller, even in the usual event that the Buyer shares the costs.

4. The Seller shall keep final artwork as well as matrices and sleeves in his possession for at least two years after they were last used. Rotogravure cylinders may be erased 12 months after they were last used, even without specific notice thereof.

5. Wipak reserves the right to, in special cases, have partial manufacturing steps conducted by monitored suppliers within or outside of the Wipak Group. This also includes the subcontracting of production processes and formulas.

X. Compensation for Damages

1. Compensation claims - including non-contractual claims - by the Buyer shall be excluded in the case of slight neglect of duty by the Seller, the Seller's executive staff or other persons employed in the performance of the Seller's duties, unless the neglected duty concerned is of substantial significance for attaining the purpose of the contract.
2. Except for direct product damage, death or personal injury caused by a defective Product, the maximum amount of damages recoverable in any event, whether arising from breach of Contract or from statutes, shall be limited to the invoiced price for the Products with respect to which damages are claimed. In no event shall Seller be liable for indirect, consequential, special, punitive or exemplary damages, or for loss of profits, loss of business, and depletion of goodwill or otherwise, in connection with or arising out of this Contract. The Seller shall only be liable for indirect or consequential damages or at the time of conclusion of the contract unforeseeable damages if the Seller or a member of the Seller's executive staff grossly neglected his duties.
3. The preceding liability limitations do not apply to injuries to life, body or health. Mandatory statutory liability provisions shall remain unaffected.

XI. Quantity, Quality and Warranty

1. Production-related variations in film quantity of up to 10% are permissible for order quantities above 10.000 m2. For order quantities below 10.000 m2 quantity variations are permissible up to 25 %. Regarding goods sold in individual pieces, such as pouches, the seller also reserves the right to round the delivery to match seller's typical packing units. Additionally, technically unavoidable quantity and quality tolerances shall be permissible.

In case of deliveries from Wipak Bordi s.r.l., the following tolerances apply:

> 40.000 SQM +/- 10%

from 20.000 to 39.999 SQM +/-15%

from 10.000 to 19.999 SQM +/-20%

from 5.000 to 9.999 SQM +/- 30%

< 5.000 SQM +/-40% for duplex materials; +/- 50% for triplex and quadruple.

Quality of the goods only refers to the quality, grade and properties described in the Seller's product descriptions, specifications and labelling.

2. Upon delivery and latest before taking the products into use, the Buyer shall be obligated to test the Products properly. Any complaints or reclamations about defects must be submitted in writing specifying the reasons, and simultaneously material samples for complaint inspection purposes as well as the original Wipak label must be returned. The complaints or reclamations must be submitted to the Seller without delay.
3. In the case of hidden defects the written complaint must be submitted without delay upon detection of the defect, at the latest within 6 months after receipt of the goods; the limitation periods shall remain unaffected. The burden of proof in respect of its being a hidden defect lies with the Buyer.
4. The Seller shall be entitled to inspect and examine the goods, including under actual working conditions.
5. Goods subject to reclamation shall not be returned unless the Seller has given his express consent to that effect. Returning the goods without prior written approval from the Seller does not relieve the Buyer from the obligation to pay the goods.
6. Used or processed/converted goods shall be deemed to have been accepted by the Buyer.

XII. Rights of the Buyer in Respect of Defects

1. The Buyer's warranty claims shall be limited to the right of subsequent performance. If the Seller's subsequent performance fails, the Buyer may - within the scope of statutory provisions - abate the purchase price or at his option rescind the contract. Compensation claims pursuant to Item X. above shall remain unaffected hereby. Claims by the Buyer on the grounds of expenditure necessary for the purpose of subsequent performance, in particular the cost of transport, labour and material, shall be excluded insofar as such expenditure has been increased due to the fact that the goods delivered have subsequently been taken to a different place than the ordering party's place of business, unless taking it there is in accordance with its intended use.
2. If the warranty is a matter of recourse by the Buyer after he has been successfully claimed against under the regulations relating to the purchase of consumer goods, the right of recourse pursuant to the regulations on the purchase of consumer goods shall remain unaffected. The right to compensation is governed by Item X. above.
3. The Buyer shall be obliged to notify the Seller of every claim of recourse arising in the supply chain without delay after obtaining knowledge thereof. Legal rights of recourse of the Buyer against the Seller only exist insofar as the Buyer has not entered into any agreement with his customer which goes beyond the statutory warranty rights. The Seller shall only furnish guarantees upon specific agreement in writing. A written guarantee shall only be effective if it adequately specifies the purport of the guarantee as well as its duration and territorial area of applicability.
4. The Buyer shall bear the burden of proof for the defectiveness of the goods.

XIII. Limitation of Action

No action by Buyer shall be brought unless Buyer first provides written notice to Seller of any claim alleged to exist against Seller within thirty (30) days after the event complained first becomes known to Buyer and an action is commenced by Buyer within twelve (12) months after such notice. Mandatory statutory limitation and liability provisions such as liability pursuant to the Council Directive 85/374/EEC concerning liability for defective products, or national legislation based on the same directive shall remain unaffected.

XIV. Intellectual Property and Confidentiality

1. The Seller shall retain ownership to all its intellectual property rights and nothing herein shall grant to Buyer title, licence or other right to any intellectual property rights of Seller.
2. Except to the extent manufactured under the instructions of Buyer, Seller warrants that, to the best of Seller's knowledge, the manufacture of the Products does not infringe any patent of the country of the manufacture. Buyer assumes all responsibility for and indemnifies and holds Seller harmless at its own expense against any claims or actions against Seller (including reasonable attorneys' fees) for the use of any technical information, patent, design, trademark, trade name, or part thereof, printed or fitted on the Products at Buyer's request. In such cases the Buyer shall control the defence, unless otherwise agreed in writing.
3. The Buyer hereto undertake towards Seller during the term of the supply relationship and thereafter to keep in the strictest confidence all confidential information and trade secrets received from the Seller in connection with the supply relationship, and to use the said information for the purposes of the supply relationship only.
4. The parties shall not, without prior written consent of the other party, disclose to any third parties that there exists any cooperation between the parties.

XV. Entire Agreement

The Contract and these General Terms constitute the entire agreement between Buyer and Seller with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral. Any public comments, recommendations or advertising shall not constitute any quality data concerning the goods purchased.

XVI. Applicable Law

Unless specifically agreed otherwise in writing, this Contract shall be governed by and construed in accordance with laws of the place of incorporation of Seller. The Uniform Law on the International Sale of Goods pursuant to the Hague Convention relating to a Uniform Law on the International Sale of Goods of July 1st, 1964, and the UN Convention on Contracts for the International Sale of Goods of April 11, 1980, shall not be applicable.

XVII. Place of Performance and Jurisdiction; Validity Clause

1. Unless specifically agreed otherwise in writing, any dispute, controversy or claim arising out of or relating to this Contract, or the breach or validity thereof shall be finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall take place in the domicile of Seller and shall be conducted in the English language. Regardless of the aforesaid, Seller shall alternatively be entitled to assert its own claims against Buyer at the courts at Seller's registered seat of business.
2. If any individual provisions of these General Conditions of Sale are entirely or partially ineffective, the remaining provisions or the remaining parts of such provisions shall not be affected thereby. The parties shall replace any ineffective provision by one which comes closest to the economic purpose of the ineffective provision and which is effective.