

**1. General**

In these General Terms and Conditions of Purchasing ("General Terms") "Buyer" shall mean the Wipak Group company (including its Affiliates) that has issued a purchase order signed by its authorized representative ("Order"), "Supplier" shall mean the entity to whom the Order is addressed and "Affiliate" shall mean another entity directly or indirectly controlled by a party, under the same direct or indirect ownership or control as such party or directly or indirectly controlling such party. Control shall mean the direct or indirect ownership of fifty (50) percent or more of the shares or interests, which entitle to vote for the directors on an entity or equivalent, for as long as such entitlement subsists, or which mean equivalent power over the management of an entity. The General Terms shall be applied to all deliveries of products, materials, works or services ("Goods") to Buyer unless specifically agreed otherwise in a General Purchase Agreement or otherwise in writing between Supplier and Buyer. Acceptance or execution of an Order by Supplier constitutes a contract ("Contract")

**2. Change or Cancellation of the Order**

By providing Supplier a written notice Buyer may at any time amend or change the Order or cancel the Order. If such order amendment would result in a significant change in price or delivery date, Supplier must notify Buyer in writing thereof without delay, calculating the new price and delivery date maintaining the same level of cost and profitability as the original price. The order amendment shall take effect, if Buyer accepts in writing the new price and delivery date within ten (10) days from Supplier's notification. The amended Order is subject to these General Terms.

**3. Price**

The price for the Goods shall be the price stated in the specific written agreement between the parties as applicable. The price shall be fixed for the duration of the Contract. The price shall include all taxes, excluding value added tax, unless otherwise agreed hereunder.

**4. Warranty**

Supplier warrants that the Goods shall in every respect comply with any description, samples, drawings, plans and specifications referred to in the Contract and shall be free from defects in design, materials and workmanship, and the Goods shall be of satisfactory quality and fit and functioning for their particular purpose and/or for the purpose for which Goods of that kind are commonly used. Supplier warrants that neither the Goods nor Buyer's use, sale or distribution of them will infringe any patent, registered design, trade mark, copyright or other protected right ("Third Party Right").

The Goods shall also be deemed defective if it deteriorates or any characteristic of it changes after the risk has passed ("Deterioration") for reasons other than fair wear and tear or Buyer's failure to comply with storing instructions issued by Supplier to Buyer prior to the delivery. This condition shall not apply if Deterioration is due to a third party (other than the Supplier's subcontractor or agent) or Force Majeure.

The Supplier shall ensure that the Goods have not been exposed to any microbiological, foreign body or chemical hazards, and the Supplier shall provide the Buyer with all information of the characteristics of the Goods on request. Documentation evidencing the compliance with the above and all necessary information of quality, environmental, health and safety effects of the Goods and the management systems of the said effects implemented by the Supplier must be made available by the Supplier on request.

Supplier represents and warrants that it is not engaged in and will not engage in any unfair, unsafe or unhealthy labour practices such as the employment of child, uncompensated labour, discrimination based on race, gender, nationality, religion or other similar employment conditions. Furthermore, Supplier represents and warrants that it will follow the highest ethical standards and integrity whilst conducting business with Buyer and is in compliance with and will continue to comply with all applicable laws, regulations and standards, including but not limited to those related to employment, health, safety and environment. Supplier warrants that the Goods are manufactured, packed and sold in accordance with applicable laws and administrative regulations.

**5. Package**

The Goods shall be properly packed, secured, marked (and in accordance with Buyer's instructions if such are issued) and despatched by Supplier at its expense so that they arrive in good condition and unharmed at the time and place of delivery specified in the Contract. The packing and the package materials are included in the price. Unless otherwise stated in the Order, Buyer shall have no obligation to return packages or package materials.

**6. Delivery, Title and Risk of Loss**

Time is of essence in all deliveries under the Contract. Unless otherwise agreed, the time of delivery is 30 days from the date the Contract was concluded, and the term of delivery is DDP, Buyer's location (Incoterms 2010 or any valid revision thereof). Supplier shall inform Buyer immediately of any likely delay and the new delivery date.

If delivery or a part of it is delayed, Buyer shall have the right to terminate the Contract and cancel the Order, in whole or in part. In the event Supplier is in delay, Buyer is always entitled to purchase nearest equivalent goods from elsewhere and Supplier shall compensate Buyer the difference between the price in the Contract and the price of the goods acquired from elsewhere. Supplier shall be liable for costs of returning the Goods. The foregoing is without prejudice to any other right or remedy of Buyer, and Supplier shall indemnify Buyer against any damage caused due to the delay.

In the event Supplier is in delay, other than due to Force Majeure or reason on part of Buyer, Supplier shall pay to Buyer liquidated damages in the amount of five (5) per cent of the value of the Order for each beginning week of delay, however not exceeding twentyfive (25) per cent of the price of the Order. Buyer shall be entitled to deduct the sum of liquidated damages from Supplier's invoice. In addition to the liquidated damages, Buyer shall be entitled to full compensation for damages incurred due to the delay as well as other rights and/or remedies available under the applicable law.

Title to the Goods and risk of loss shall pass to Buyer upon delivery at the agreed location on the terms specified in the Order and in these General Terms.

**7. Quality Control**

Supplier agrees to properly inspect and supervise the quality of raw materials and substances used in the Process and to ensure the continuous proper quality of the Goods. Supplier agrees, without delay, to inform Buyer of any relevant quality related issues and to use its best efforts to correct any deviations from agreed quality without delay.

Buyer has the right but no obligation to inspect the Goods. Supplier agrees to maintain authenticated inspection and test results for a period of ten (10) years after the expiration of the Contract. Upon request, Supplier shall identify in writing the country of origin of the Goods. For the purpose of ensuring that the Supplier is complying with its obligations under the Contract the Supplier shall submit to the Buyer at the Supplier's expense samples of the Goods and of the material used in the preparation of the Goods in accordance with such instructions as reasonably requested in writing from time to time by the Buyer.

Supplier shall permit the Buyer, their officers and agents to enter and inspect and audit, during Supplier's normal working hours, the plant facilities, equipment and methods used by the Supplier in the preparation, production, packaging, storage and handling of the Goods, and shall take all reasonable steps necessary to implement any reasonable suggestions made by the Buyer.

Without prejudice to other provisions in this Article 7 the Supplier shall at all times remain solely responsible for quality control with respect to the Goods, and risk in the defective Goods shall at all times remain with the Supplier.

**8. Rejection of Delivery**

In the event Buyer determines that the Goods do not conform to the Contract or are otherwise defective, Buyer shall have the right to reject the Goods, in whole or in part, regardless of whether the Goods have been paid for. Such defective Goods shall constitute a material breach of Contract, which shall entitle Buyer to terminate the Contract, without prejudice to any other right or remedy of Buyer under this Contract or law. Buyer may, but has no obligation to, provide Supplier a reasonable opportunity to replace the defective Goods at Supplier's sole cost and expense. All storage and other costs related to the defective Goods shall be for the sole account of Supplier. Risk in the defective Goods shall at all times remain with Supplier. Buyer shall also be entitled to purchase the nearest equivalent goods elsewhere at Supplier's sole cost and expense. Upon request, Supplier shall promptly return any payments made for the defective Goods under the Contract without any retention or offset whatsoever.

**9. Payment**

The payment term is ninety (90) days, unless otherwise mutually agreed, from the latter of (a) delivery in full of the Goods in conformity with the Contract, or (b) receipt of invoice by the Buyer. Unless otherwise agreed, the invoice shall become payable only after the whole delivery has taken place. If the delivery is not in conformity with the Contract, Buyer is entitled to postpone payment until Supplier has provided full remedy or the matter is otherwise finally settled. Payment shall never imply a waiver by the Buyer of any right it may have under this Contract or by law.

**10. Indemnity**

Supplier shall defend, indemnify and hold Buyer and its Affiliates harmless from and against all claims, liability, damages (including indirect, consequential, special, punitive and exemplary damages), loss, costs and expense (including legal expenses) claimed from, incurred or paid by or made, brought or awarded against Buyer or its Affiliates as a result of or in connection with (I) the manufacture or sale of the Goods, (II) breach of warranty or Contract (III) negligence or willful misconduct, (IV) product liability (including liability arising out of personal injury or death or any damage to property caused by the Goods) or environmental liability, or (V) infringement of Third Party Right.

Supplier shall at its expense maintain liability insurance sufficient to satisfy any claim or liability arising out of manufacture, sale or delivery of the Goods or this Contract.

**11. Term and Termination of Contract**

In the event of breach of the Contract by the Supplier with respect to any Order, which breach is not remedied within fifteen (15) days after the Supplier receives notice of the alleged breach from Buyer, the Buyer may, in addition to any other remedies and without any compensation to Supplier, cancel the Order concerned and terminate the Contract by written notice.

All rights and obligations of the parties hereunder shall cease to have effect immediately upon termination or expiration of the Contract, save that termination or expiration shall not affect any rights or obligations of the parties accrued prior to or upon termination or expiration, nor shall such termination or expiration affect the validity of those clauses agreed to survive termination or expiration.

**12. Force majeure**

In the event either of the parties by a cause beyond its control or risk suffers the inability to perform all or any part of its obligations under this Contract, the party suffering such disability shall be excused from such performance for as long as and to the extent to which such event causes such inability to perform. The party affected by any such events shall immediately notify the other party and indicate the expected duration of such interruption. The parties will use their respective best endeavours to mitigate the effect thereof in the best possible way. In the event the force majeure continues beyond a period of seven (7) days, Buyer may cancel the relevant Order by written notice to Supplier, without having to pay any form of compensation.

**13. Confidentiality**

The parties hereto undertake towards each other during the term of this Contract and three (3) years thereafter to keep in the strictest confidence all confidential information and trade secrets received from the other party in connection with this Contract, and to use the said information for the purposes of this Contract only. However, the obligation above shall not apply to confidential information which the receiving party may prove having been in the possession prior to the first receipt from the other party; which at the date hereof or thereafter becomes a matter of public knowledge without a breach of this Contract; or which the receiving party may prove having been obtained from a third party under circumstances permitting its disclosure to others.

**14. Miscellaneous**

No waiver by Buyer of any breach of the Contract by Supplier shall be considered as a waiver of any subsequent breach of the same or another provision. If any provision of the Contract is held to be invalid or unenforceable, the validity of the other provisions of the Contract shall not be affected. Supplier shall not assign, transfer or subcontract the Contract without prior written consent of Buyer.

**15. Environmental and Energy Management**

Observing the value chain concerning energy efficiency Buyer sees the need to take into consideration also the impact of sourced materials and services. At the procurement of materials and services which might have an influence on Buyer's energy consumption the evaluation will be partly based on the impact given. The Supplier commits to make every effort to limit the environmental impact of its business operations and shall forward any certification available proving its efforts to use energy efficiently protecting the environment.

**16. Compliance with the BSCI Code of Conduct**

Supplier shall ensure that Goods are sourced and produced throughout the entire supply chain under a set of internationally acceptable social and ethical guidelines and standards. Supplier warrants that it shall comply not only with all domestic employment legislation but also will comply with both all applicable International Labour Organization (ILO) conventions and protocols and the United Nations Universal Declaration of Human Rights. Further Supplier represents and warrants (I) that he has taken due note of the BSCI Code of Conduct, which is available under <http://www.bsci-intl.org/resources/code-of-conduct>; (II) that he is aware of all relevant laws and regulations of the country or countries in which both the Supplier and Buyer company operates; (III) that he will inform Buyer in case of conflict between provisions of the BSCI Code of Conduct and any applicable laws or regulations in the countries of operation; and (IV) that he will observe and conform to the BSCI Code of Conduct in its entirety based on a development oriented approach and without amendment or abrogation.

**17. Governing Law and Arbitration**

The Contract shall be governed by and construed in accordance with laws of the place of incorporation of the Buyer, excluding its choice of law provision. The applicability of the 1980 Vienna Convention on the International Sale of Goods is excluded.

Any dispute, controversy or claim arising out of or relating to the 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 the Buyer and shall be conducted in the English language. The award shall be final and binding on the parties.