

**GENERAL SALES TERMS AND
DELIVERY CONDITIONS**

GIKO Verpackungen GmbH, Römerweg 2, A 6833 Weiler

§ 1

SCOPE AND APPLICABILITY

- 1.1 The present terms and conditions form an integral part of all offers and contracts under which we sell our products. Deviations from the terms and conditions set out here shall only be valid, if they have explicitly been agreed upon in writing. By placing an order, the customer explicitly accepts the effectiveness of the terms and conditions set out in the following as part of the contract.
- 1.2 The terms and conditions set out in the following shall also be effective if they are in contradiction with the terms and conditions of the customer.

§ 2

CONCLUSION OF CONTRACT

- 2.1 Our offers are subject to change and are non-binding unless they are explicitly confirmed as binding in writing. We reserve the fulfillment of incoming orders. Our offers are confidential and shall not be disclosed to third parties without our explicit consent. If samples, patterns, etc. are supplied to us for the preparation of offers, they will remain with us, even if no order will be placed by the customer. After the expiry of four weeks, we will be entitled to destroy these samples and patterns.
- 2.2 The contract is deemed concluded as soon as we confirm the order in writing or fulfill the order. In case of a changing economic situation of the customer or in the event of payment default we shall be entitled to rescind the concluded contracts.

- 2.3 Incoming orders are irrevocable and are binding for the customer for at least four weeks. This term can be appropriately extended if, in accordance with the circumstances of each particular case, a longer acceptance period seems reasonable.

§ 3

GOODS

- 3.1 We supply goods in conformity with our written confirmations of orders.
- 3.2 Variations in quality and deviations in material, production, print and color are unavoidable and shall not constitute any defects.
- 3.3 For delivery volumes of up to 15,000 m², we reserve the right to excess or short deliveries in the extent of +/- 1,500m², for delivery volumes of more than 15,000 m², we reserve the right to excess or short deliveries in the extent of +/- 10%.
- 3.4 We only warrant the suitability of the goods supplied by us for a particular use or processing, if such a warranty has explicitly been granted and confirmed by us in writing. This applies particularly to materials and their consistency supplied by third parties (foils, colours, adhesives, etc.). Moreover, we will not assume any warranty for the light fastness and the water resistance of the colours used as well as for their durability.

§ 4

IMPRESSION CYLINDERS

Unless otherwise agreed upon in writing, the impression cylinders required for the fulfilment of the order will remain our property, even if the customer has paid the manufacturing costs thereof. Two years after the placing of the last order that

needs the use of the impression cylinders we shall be entitled to destroy or to re-work them.

§ 5

PRICES/PAYMENT

- 5.1 The prices as mentioned in the confirmation of order shall be applicable. In case no confirmation of order has been supplied, the prices as mentioned in our offer shall be applicable.
- 5.2 In case of an increase of production costs occurred between the date of the confirmation of order and the date of delivery, we shall be entitled to adapt the prices appropriately, provided these increases are due to circumstances beyond our control (material costs, labour costs, tax increases, etc.).
- 5.3 We are free to request a pre-payment on the purchase price and/or securities for the payment of the purchase price without stating reasons. If pre-payments are not made and/or securities not provided, we shall be entitled to rescind the contract and to claim indemnification for any losses of any kind whatsoever, that might occur to us due to the cancellation of the contract.
- 5.4 Our invoices shall be due within 30 days after invoicing and shall be payable free and clear of any expenses and deduction, net cash. Invoices for the printing plates are payable free and clear of any deductions immediately upon receipt of the invoice. In case of a change in the economic situation of the customer we shall be entitled to immediately call due any outstanding payments.
- 5.5 In the event of default we shall be entitled to charge default interest of 5% above the current discount rate of the Austrian National Bank. Reminder fees and expenses of collection shall be settled by the customer.

- 5.6 Incoming payments shall first be offset against the reminder fees and expenses of collection, then against interest accrued and finally against the oldest claim.
- 5.7 Set-off of counterclaims is not admissible.

§ 6

DELIVERY/ACCEPTANCE

- 6.1 Within the EU territory as well as in Switzerland, deliveries will be made at our expense and our risk to the place of destination (DAP according to Incoterms 2010). Transport and insurance costs for deliveries outside the EU territory and Switzerland shall be at the customer's expense. Customs duties as well as import and export duties must be paid by the customer. In such cases, deliveries will be EXW according to Incoterms 2010.
- 6.2 Place of performance will be Weiler.
- 6.3 The delivery dates shall be applicable as mentioned in our confirmation of order or as otherwise explicitly agreed. We shall be entitled to partial deliveries provided the agreed delivery dates will be respected.
- 6.4 If deliveries are delayed due to circumstances not attributable to us and beyond our control, delivery terms will be extended appropriately. The customer shall not be entitled to rescind the contract nor shall such delay give rise to any claim against GIKO.
- 6.5 The customer commits himself to supply in due time all and any samples, details, patterns etc, required for the fulfillment of the order. If, due to the default of the customer, we suffer any expenses or losses, particularly loss of production, we shall be entitled to claim for compensation.

- 6.6 Pallets and transport packagings shall either be exchanged or charged separately at cost price.
- 6.7 The price is inclusive of ARA fees for our transport packagings. There will be no further dispensation by us.

§ 7

WARRANTY/PRODUCT LIABILITY

- 7.1 Notices of defect must be placed in writing and with a detailed description within eight days after delivery, otherwise they will be excluded. This will also apply to partial deliveries regarding each individual delivery. Defects that were not identifiable in a proper inspection at delivery, shall be notified immediately to us after their detection, but in no case later than after 90 days.
- 7.2 In cases of warranty we are entitled at our discretion either to correction, replacement or exchange of the defective goods within a reasonable period. We shall however also be free to restore the purchase price. Any further claims by the customer, of any kind whatsoever, shall be excluded.
- 7.3 Rejects up to an amount of 4% of the supplied goods will in no case give rise to complaints.
- 7.4 We will not assume any liability for material damages that might occur due to defects of our products unless the customer is a consumer under the Product Liability Act. This shall be applicable particularly in view of costs of production downtimes and recall campaigns of the customer.

§ 8

INTELLECTUAL PROPERTY RIGHTS

- 8.1 The customer confirms explicitly that he holds all intellectual property rights in the samples, details, patterns, drawings, photos, etc. supplied to us. In case we should be held liable by third parties for any violation of intellectual property rights, the customer must indemnify us and hold us harmless in this respect.

- 8.2 We will hold all and any rights in drafts, drawings, printing plates, digital data, negatives, films, interim copies, colour separations and other tools prepared by us as well as in recipes elaborated by us, even after payment of all and any invoices. Any use, imitation, reproduction or disclosure requires our explicit consent.

§ 9

RETENTION OF TITLE

- 9.1 All goods shall remain our property until complete payment of our existing claims of any kind whatsoever against the customer including all additional charges and costs. Pledging of products under retention of title requires our explicit and written consent.

- 9.2 If the goods supplied by us are processed, we acquire co-ownership hereto and we will be entitled to the claim for the purchase price pro rata to the value of our rights to the goods. The respective purchase price claim is assigned to us.

- 9.3 If the goods are resold, the purchaser must be informed about the existing title of retention.

- 9.4 We are free to waive our right of retention. This waiver must be notified by a written statement addressed to the customer. Upon receipt of this statement the ownership is transferred to the customer.

§ 10

FOOD LAW

The compliance with the stipulations of food law, particularly the labelling requirements, is the exclusive responsibility of the customer. This also applies to the concrete design, size and location of the consumer information. We are under no obligation whatsoever to provide information or to warn.

§ 11

FINAL CLAUSES

- 11.1 All disputes shall be subject to the exclusive jurisdiction of the competent court in Feldkirch, Austria.
- 11.2 Exclusively Austrian law shall be applicable to the legal and contractual relationship. The application of the UN Convention on Contracts for the International Sale of Goods is explicitly excluded.
- 11.3 Should one or several stipulations of the General Sales Terms and Delivery Conditions as set out above be or become ineffective, this shall not affect the validity of the remaining provisions.

February 2015