

General Terms and Conditions of Sale and Delivery

General

These general conditions of sale and delivery, issued by Al Pack d.o.o. (hereinafter referred to as the Seller), are applied to all purchase orders received from natural and legal persons (hereinafter referred to as the Buyer). Any differing, conflicting or supplementary terms, conditions, and warranties, especially any general terms and conditions of the Buyer, even if known, do not form part of the agreement, unless the Seller expressly agrees to those in writing. Counter-confirmations on the part of the Buyer referring to his terms of business are hereby contradicted. If one provision of these General Conditions of Sale and Delivery should become invalid, the remaining provisions shall remain in force. The ineffective provision shall be replaced with the one that most closely matches the meaning and economic purpose of the provision.

Prices and quotations

All prices and offers are based on material and other costs at the time of their preparation, and are valid for three months, as a rule. All prices are net prices without value added tax and other duties. Prices are not binding and may be adjusted due to changed economic conditions and production processes. Prices are stated in euros, at ex-works parity (according to Incoterms 2010), unless otherwise stated. Sales contracts and agreements shall only become binding on the basis of the Sellers written order confirmation or through delivery, with the Sellers invoice in the latter case substituting the order confirmation. The only acceptable product description shall be the Al Pack article name. Additional references to Buyers article names shall not be mandatory.

Delivery deadlines

During the confirmation of orders, the only authoritative delivery date is the date that defines the Seller, but it is not binding. Delivery dates are subject to change due to changed requirements of the Buyer (e.g. materials, quantities, graphic design). Deadlines are also subject to change, if the Buyer fails to timely deliver printing data, does not timely approve graphic designs, or fails to harmonize the technical characteristics of the product (e.g. shape, material composition, etc.), unforeseeable delays in the delivery of materials by the Sellers suppliers, machine malfunctions and cases of force majeure. The Buyer shall not be entitled to withdraw from the order or claim compensation. The lead time for a delivery is 21 days from the date of the order confirmation. Deviations of 5 days are allowed. If the Buyer does not take the goods from the warehouse of the Seller within 7 days from the date state on the order confirmation, the Seller has the right to deliver the goods by own choice or to store the goods at the cost and risk of the Buyer, based by the Sellers own assessment, and to invoice the Buyer for loss of earnings equivalent to the value of the delivery.

Tools, prepress and printing approval

Printing plates, proofs, printing data, etc. produced by the Seller remain his property, even if they are partially or fully charged to the Buyer. Print data shall be submitted by the Buyer in a digital format. Only after the receipt of proper and useful data the agreed deadline for printing approval is started. The Buyer is obliged to check the drawings, samples, fonts etc. that do not infringe the copyright of third parties, and will bear all the responsibility for it. Only proofs signed by the Buyer and returned to the Seller are binding for the Seller. Minor deviations in color are not considered hidden defects. Printing plates are usable 12 months due to material deterioration, and when re-ordering the product after that date, they will be re-invoiced on the first following invoice containing the product.

Quantities and Delivery

Excess and short deliveries of up to 10% may be possible due to production reasons and cannot be rejected. Excess and short deliveries are made without prior notice. The Buyer is obligated to accept and pay for the goods within these margins in accordance with the confirmed unit price for the quantity actually delivered. The remaining quantities will be delivered and invoiced 14 days after expiry of the agreed maximum lead time, with notification to the Buyer.

Cancellation of an order

If an order is canceled, the Buyer must bear any costs incurred and committed to up to that point. The costs for materials reserved or ordered for the order must be paid in full by the Buyer even if the order is canceled, plus the additional 10% of the total value of the order.

Invoicing and Payment

Unless otherwise agreed, the terms of payment for the invoices are 30 days net cash, with no discount or other deductions, starting from the date stated on the invoice. In the event of late payment, a reminder charge of 250,00 € and late payment interest of 12% per year will be charged. In the event of default by the Buyer, the Seller reserves the right to suspend and retain deliveries of goods and services from all received and incoming orders. If a sale cannot be invoiced in euro, the Buyer bears the exchange rate risk from the date of the order confirmation until full payment. The withholding of payments and set-offs are, if not otherwise agreed, possible only if the counter-claim of the Buyer is undisputed or legally valid.

In the event of a default of a payment, all current accounts and the sums of all bills shall become due immediately and enforceable. If the Buyer fails to comply with the terms of payment or in the event of circumstances occurring that are capable of impairing the credit worthiness of the Buyer, the Seller shall be entitled to render immediately payable his entire receivables, regardless of the term of any bill discounted and not yet payable. Furthermore, the Seller shall be entitled to effect any outstanding shipments only against advance payment or the provision of security. If advance payments are not made or securities are not provided after setting an appropriate period, the Seller shall be entitled to withdraw from the

contract in respect of any services or deliveries still outstanding, with the result that all claims shall expire on the part of Buyer in relation to those shipments not yet effected.

The goods shall remain the property of the Seller until all claims are fully paid.

Liability and complaints

The Seller cannot guarantee the suitability of his products for the Buyer's intended purpose. Instructions for use, recommendations and suggestions made by the Seller's sales advisers are given to the best of their knowledge and are based on practical experience. The Seller guarantees to deliver the quoted quality. The Buyer must check the ordered goods immediately upon delivery. Any complaints about the quantity and condition of the goods must be submitted in writing within 10 days, stating the reasons of the complaint. The Seller shall replace any goods that are proved to be defective or incorrectly processed at the time of delivery, free of charge. By agreement, the purchase price may also be refunded and the goods that are the subject of the complaint returned if they are in the delivered state. Claims for damages, penalties, loss of production, missed profits, damages, third party claims, reimbursement for material, amortization, labor, energy and other direct and indirect consequential damages resulting from the use of the goods and services are explicitly excluded.

Warranty claims shall, in any case, expire six months after delivery of the goods to the place of delivery. To the extent that is legally permissible, no liability whatsoever can be accepted for indirect harm or consequential damages, such as loss of profit, loss of output, claims from third parties, over and above the value of the goods arising from defects in the goods. All liability and warranty is excluded if the Buyer delays the settlement of its obligations, if the delivered goods are sold forward to a third party, if the goods are further processed or not handled according to the recommended instructions for storage and handling. If the production and delivery of products are being made according to Buyers requirements, based on supplied technical drawings or samples, it shall be the Buyer's sole responsibility that the product does not infringe patents and copyrights of third parties.

Claims for defectiveness are not admissible if the goods vary only inconsiderably from their agreed characteristics, if their usefulness is only inconsiderably impaired, or if they have suffered natural wear or damage after passage of risk due to faulty or negligent treatment, the imposition of excessive strain or the use of unsuitable operating aids. The Seller has the right to reject claims if the Buyer fails to submit the defective part within 2 weeks after being requested to do so.

Confidentiality

All documents, technical specifications, certificates, technical drawings, surveys, offers, quotations, invoices, e-mail correspondence and all other documents are strictly confidential. The disclosure, unauthorized duplication or exposure to third parties without the prior written consent of Seller is expressly prohibited. Both parties will ensure that the data and information are able to access only employees who need access to them for their daily job routine, and are required to maintain the confidentiality of the same, with this obligation extending even after the termination of employment. However, both parties have a right to disclose information for the enforcement of their rights or to defend against claims by third parties, particularly in administrative and legal proceedings, but only with people who are professionally obliged to confidentiality. It is expressly prohibited to submit samples of finished products, technical specifications, price lists and other documents (including correspondence in an electronic format) natural or legal persons who are not covered by this agreement, without the prior written consent of Seller.

Court jurisdiction, place of fulfillment and other provisions

Agreed jurisdiction for all mutual claims and obligations, including disputes arising from bills and cheques receivable, irrespective of place of payment, shall be the Commercial Court in Subotica, irrespective of the amount in dispute. If the contracting party suspends payment or if a petition is filed for insolvency proceedings against his assets or for out-of-court composition proceedings, then the Seller shall be entitled to withdraw from the contract for the unfulfilled part.

Place of fulfillment will be the Sellers warehouse. With the transfer of the goods to the shipper or the carrier, or by leaving the plant or the warehouse at the latest, the risk shall pass to the Buyer in any case – unless nothing to the contrary is agreed upon.

For all business activities that are subject to these General Terms and Conditions of Sale and Delivery shall apply exclusively laws and regulations of the Republic of Serbia. Application of the United Nations Convention of 11.4.1980 on Contracts for the International Sale of Goods is excluded.

Entry into force of the amendments

This Agreement shall enter into force on 01.11.2012. It is acknowledged that the Buyer, by sending or receiving orders, agrees with all provisions of this agreement and declares that the aforementioned fully understood. Al Pack has the right to change these conditions, and is obliged to promptly inform all parties about it.

Buyer's signature and stamp