

UAB “UNIFLEX EUROPE” GENERAL TERMS AND CONDITIONS OF SALE as of 01.10.2018

DEFINITIONS OF TERMS

The following definitions apply in these Conditions:

“Buyer” means a business entity or natural person interested in buying Seller’s Goods and/or services.

“Claim” means a legal material demand by the Buyer arising from the breach of the contract terms by the Seller as to quality, assortment or quantity of the Goods.

“Contract-order” means any kind of agreement in written, regardless of its name, for supply of particular amount of Goods.

“GTS” means present General Terms and Conditions of Sale.

“Manufacturer” means CJSC “UNIFLEX”, with its registered office at Minsk region, Belarus, registered in the commercial register with ID No.691756132.

“Order” means specified amount of Goods requested for supply.

“Parties” means the Seller and the Buyer.

“Party” means either the Seller or the Buyer according to the context.

“Goods” means goods or services offered for sale by the Seller.

“Sale contract” means the contract that is concluded in written form between the Parties.

“Seller” means the company UAB “UNIFLEX EUROPE”, with its registered office at J.Savickio g.4 LT-01108 Vilnius, registered in the commercial register with ID No. 304287561, VAT No. LT100010268312

“Subcontractor” means a legal or natural person supplying goods or services which are directly or indirectly necessary for the fulfillment of the Seller’s obligations arising from the Sale contract and/or Contract-order.

“Warranty period” means a period starting with delivery of the Goods to the Buyer and lasting twelve (12) months.

“Warranty defect” means a defect of a Goods which becomes apparent within the Warranty period, unless liability for such defect is excluded in compliance with these Conditions.

1 GENERAL

1.1 GTS apply to the sale and delivery of goods by the Seller to the Buyer and performance of related services.

1.2 These GTS are available on the Portal of the Seller at the following address <https://www.uniflexpackaging.eu/general-terms-of-sale>. Amendments and any changes to the GTS inure one month from the date of publication on the Portal and applies only to the subsequent orders. The Buyer agrees to check GTS before placing order.

1.3 Any other provisions contrary to these GTS, including but not limited to the Buyer’s terms and conditions of purchase, shall be binding upon the Seller subject to the Seller’s written approval thereof. Any unquestioned delivery, service or sale of goods shall not be deemed the acceptance by the Seller of any other contrary provisions.

1.4 The Buyer’s orders shall not be binding upon the Seller as long as they have not been expressly confirmed by the Seller in written or electronic form (e-mail sent from the Seller’s mailbox). Any reference made herein to agreement shall be understood also as an order expressly confirmed by the Seller.

2 CONCLUSION OF SALE CONTRACT

- 2.1 Sales contract should be made in written in the form of (i) base Sale contract and/or (ii) Contract-order for every shipment.
- 2.2 The Parties may conclude a Base contract. Base contract may contain common terms and conditions for the shipments of Goods for the Buyer.
- 2.3 The Contract-order should contain information about Order description, volume (circulation), the cost of the Goods, terms of shipment and other details of the order.
- 2.4 Special requirements to the Goods may be agreed in annexes (Job ticket, Layout etc.). The Job ticket describes the technical and other parameters of the ordered Goods. The Layout contains image, applied to the Goods.
- 2.5 The Buyer may place a request for the shipment of the Goods. The Seller may request a clarification of the Order (if necessary). The Seller based on the request prepares Contract-order and sends it to the Buyer. The Buyer should confirm Contract- order, sign and send it to the Seller as soon as possible. In case the confirmation differs from the Contract-order, it is not considered to be confirmed.
- 2.6 The Seller is entitled to reject any Order made by the Buyer, in particular if:
- (i) the Order does not comply with these GTS (e.g. the Seller does not supply requested goods, Order refers to different general terms than these GTS or contains other extraordinary requirements unacceptable for the Seller); or
 - (ii) the Buyer is in default with any payment to the Seller; or
 - (iii) the ground for a rejection of the Order arises from relevant laws and/or market situation (e.g. vis major, component and/or technology used for the production of the Goods is no longer available, termination of the production of certain components or materials, shortage of usable chips on the market, prohibition of use of certain materials/technologies, etc.).
 - (iv) the Buyer does not send requested clarification.

3 DELIVERY / SHIPMENT

- 3.1 The INCOTERMS rules set out in the agreement shall always refer to INCOTERMS 2010.
- 3.2 The Seller shall deliver the Goods within the delivery period agreed between the Parties. Should the Buyer arrange the transportation of the Goods, any ordered Goods shall be deemed delivered in compliance with EXW, Vilnius (INCOTERMS 2010) and the Buyer should pick-up the Goods not later than 5 days from the date of notification of readiness.
- 3.3 Unless otherwise provided, the Seller is entitled to deliver the Goods in parts and invoice them separately. Any delay in delivery shall not relieve the Buyer from the obligation to accept the delivery and to pay for it. The delivery of the quantity of the Goods lesser or more than agreed between the parties shall not entitle the Buyer to refuse acceptance of the Goods. Possible deviation in the amount of the supplied goods within + /-10% of the ordered quantity of the will not be a failure in supply of the contracted quantity, and will be accounted in financial settlements.
- 3.4 The title shall pass to the Buyer when the Goods are handed over to the Buyer or the carrier (which earlier).
- 3.5 Upon receipt of the Goods, the Buyer shall check them for compliance with the specification received as to quantity, name, assortment and visual defects, inspect them visually and accept the Goods by signing, affixing a stamp (if acceptable) and the date of the Goods' receipt on the relevant consignment note.
- 3.6 If the Seller is unable to deliver the Goods by the agreed date due to circumstances which the Seller could not have foreseen or prevented at the time of conclusion of the Sale contract, the Seller shall inform the Buyer thereof. In such a case, the Seller shall not be liable for failing to perform or duly perform the Sales contract. The parties shall agree on a new date of shipment, taking into account each other's capabilities and requirements, in a separate agreement.
- 3.7 In case the Seller undertakes transportation, the unloading time at the Buyer's site shall not be longer than 24 hours from the moment of arrival to the Buyer's premises.

In case of delay, the Seller shall be entitled to charge the Buyer with demurrage costs – at the Seller's discretion – in the amount of EUR 100 per each commenced 24-hour period, unless otherwise specified in the agreement, or in the amount specified by the

carrier performing the delivery.

4 PACKAGING

4.1 The Goods should be professionally packed and marked in order to withstand storage and transportation by overland, overseas and air transport, loading and unloading.

4.2 The marking should be made in English.

4.3 The Buyer is obliged to inform the Seller about all the requirements to the packaging.

5 QUALITY OF THE GOODS

5.1 Quality of the Goods shall fully conform to the EU regulations, technical specifications of the Manufacturer (<https://www.uniflexpackaging.eu/general-terms-of-sale>) and to the agreed specifications (if any). The Buyer undertakes to inform the Seller regarding National requirements to the Goods' quality.

5.2 Warranty period on the goods is 12 (twelve) months from the date of acceptance of the goods by the Buyer.

5.3 Color quality shall conform to the printed Layout. Color deviation between printed sample of the Layout and industrial circulation manufactured on the presses is allowed. Tolerance color deviation (ΔE) for the mixed colors according to PANTONE model shall be no more than 5 units (ΔE CMC 2:1).

5.4 The Seller is not responsible for the compliance by the Buyer the copyright for the elements and data, provided by the Buyer; for the correctness of the text information, provided by the Buyer; for the correctness of the technical data and other characteristics of Goods, provided by the Buyer.

5.5 The parties may approve sample-model of the Goods which will be used as quality sample-model (Color deviation allowances applies).

6 SETTLEMENTS

6.1 Unless otherwise specified in the agreement, all invoices of the Seller shall be paid by the Buyer by wire transfer to the Seller's account in full amount and without deducting any bank costs.

In case of international settlements, the Buyer shall bear the cost of its bank and intermediary banks. In order to settle the transfer costs properly, the Buyer shall choose the "OUR" cost option.

The payment shall be deemed timely effected, if the relevant payment for the Goods sold is credited to the Seller's account before or on payment due date.

6.2 The Buyer acknowledges that its trade credit limit may be changed without giving a reason.

6.3 Check payments shall not be accepted, unless stated otherwise herein.

6.4 The Buyer's claims shall not serve as grounds for the Buyer to suspend payment due to the Seller.

6.5 The Buyer's receivables may not be set off against the Sellers receivables without prior agreement.

6.6 Any change to the Seller's bank account shall be additionally confirmed by the Seller in order to be effective.

7 COMPLAINTS

7.1 The Seller shall be liable for the quality of goods delivered. Any quality parameters of the goods agreed by the Parties which deviate from the technical specification of the goods shall be binding if incorporated in the agreement.

7.2 The Buyer shall notify the Seller about any defects or discovered without undue delay after the defects have been discovered.

In the notification the Buyer shall specify the defect, the Order number, the invoice number relating to the Goods. The notification shall be submitted by e-mail or by phone to the Seller's contact person named in the Confirmation (notification submitted via

phone shall always be followed by e-mail confirmation of the notification). The Buyer shall treat the defective Goods as instructed by the Seller. The instruction could be to send specimens of the defective Goods to the Seller for review and testing.

If the Goods or a part of them are not in compliance with the requirements of the Sales contract or/and declared by the Seller, the Buyer, in presence of authorized representative of the Seller or unilaterally if authorized representative of the Seller fails to arrive in 5 (five) work days, fill-in and sign a Non-Conformity Protocol on Goods that are defective, or in breach to the Order. Based on the Non-Conformity Protocol, the Buyer is entitled to raise a Claim.

In case of disagreement with the conclusions made in the Non-Conformity Protocol, the Seller has the right to conduct a quality examination in an independent laboratory that will apply to the entire batch.

7.3 The Buyer has the right to raise a Claim regarding the quantity of the Goods delivered within 3 days of goods receipt, regarding the quality of the Goods delivered if defects are detected within 7 days of Goods receipt, as to latent deviations – within the warranty period of the Goods – or else, at the Seller's option, a complaint shall not be considered and the Buyer shall lose its rights to raise any Claims with respect to the same.

Complaints shall be forthwith submitted by the Buyer to the Seller in writing or by e-mail.

7.4 For a complaint procedure to be commenced, the Buyer is required to describe the defect in detail and provide the Seller with:

- (i) in the event of a quality complaint: Non-Conformity Protocol, the results of the Buyer's quality testing of the Goods performed in an appropriate manner and at an appropriate time, and in case such test has not been conducted – a sample of goods;
- (ii) in the event of quantity and logistic complaint: written note containing description of a problem, the condition of the seals/packaging, signature of the Buyer, signature of the driver of the vehicle or the Buyer's declaration that the driver refused to sign the document.

7.5 The Seller shall entertain the submitted complaint within 21 days of the receipt of complete documents. Failure to entertain the complaint within the above said period or by another specified date shall not constitute the acceptance of the complaint.

7.6 As to Claim, the Seller may only be obliged to:

- (i) in the case of quality complaints - reduce the sale price of the delivered goods accordingly or return the Goods and deliver the same quantity of Goods free from defects instead of the defective ones; return the paid out cost of the defective Goods;
- (ii) in the case of quantity complaints - reduce the invoice quality and total amount in accordance with the actual quantity of delivered Goods or perform a supplementary delivery; return the paid out cost of the undersupplied Goods.

To make necessary settlements the Seller will issue a Credit-note. Debit-note issuance by the Buyer must be confirmed by the Seller.

7.7 If the Claim is accepted, all the defective Goods at the Seller's option must be sent back to the Seller at his expense. In case the defective Goods not to be sent back for any reason, the Buyer is obliged to send to the Seller within 10 days following the delivery of the complaint protocol a signed declaration, confirming that the defective Goods have been destroyed.

8 LIABILITY

8.1 Neither Party shall be deemed in breach of its obligations due to force majeure defined herein as any external, extraordinary event, which could not have been foreseen and avoided by a Party, despite the exercise of due diligence. For the avoidance of doubt, the following shall be regarded as circumstances of force majeure: natural disasters (fire, flood, other natural phenomena), war, riots, strikes, hacker attacks, disturbances in the supply of raw materials to the Seller, failure of installations or equipment of the Seller, as well as acts of public authority. A Party affected by Force Majeure event shall immediately notify the other thereof, specifying its expected duration.

8.2 The Order accepted by the Seller is irrevocable without the Seller's consent. Should the Buyer be in default with any payment pursuant to the Sale contract, or the Buyer unreasonably refuses to receive goods the Seller is entitled to demand a payment for the appropriate Goods. The Buyer's default entitles the Seller to suspend deliveries.

8.3 The Buyer acknowledges that unreasonable refusal to accept and pay Goods leads to direct losses in the amount of the

Goods cost.

8.4 Unless GTS or the agreement provides otherwise, the Seller's liability towards the Buyer arising out of any default is limited only to the value of the lot to which the claim pertains. The Seller shall not be liable for any loss of profits, indirect damage, loss of Buyer's profits or losses incurred by any third parties.

The Seller's liability is insured. The Seller is informed, acknowledges and agrees to ask and receive remunerations of his claims in the next order: first of all - from the insurance company; for the rest – from the Seller. To do so accordingly, the Buyer agrees to provide all the necessary documents upon request of the insurance company.

8.5 The Seller's liability for the quality of the Goods shall be excluded if the Buyer knew about the defect in the Goods at the time of delivery.

8.6 Any default in payment shall be subject to statutory interest charged for each day of default. In case of delay, the Seller is also entitled to claim damages. In the event of failure to perform or duly perform the agreement by the Buyer the Seller is entitled for compensation of the relevant losses inquired.

Overdraft or delay in payment may also constitute grounds for refusing to perform further deliveries, including the already confirmed Orders.

9 FINAL PROVISIONS

9.1 In case of any discrepancy between the content of the Sale contract and the content of these GTS, the provisions of the Contract-order shall prevail.

9.2 All annexes to the Sales contract shall form an integral part hereof. In the event of conflict between the annexes and the Sales contract, the provisions of the annexes shall apply.

9.3 The Buyer may transfer his rights and obligations under the agreement only upon the Seller's written consent under pain of nullity.

9.4 Any amendments or additions to the Sales contract must be made in writing in the form of an amendment approved by both parties, unless otherwise specified in the Sales contract or GTS.

9.5 The present GTS are drawn up in English, and only the English language version is binding upon the Parties as regards its interpretation, and the copies of the GTS drawn up in other language serve only as its translation. Unless otherwise agreed by the parties, English language version is binding upon the Parties as regards interpretation of the Sales contract, Contract-order and annexes.

9.6 The Sale contracts, GTS are governed by and construed in accordance with the law of the Lithuania.

9.7 Any dispute between the Parties arising out of or relating to the Sale Contract shall be resolved, preferably, by amicable settlement. If no such settlement is reached within a reasonable period of time, all disputes arising from and/or in connection with the Sale contract shall be decided by the Arbitration Court attached to the Lithuanian Court of Arbitration (identification code 302473236) in accordance with its Code of Procedure. The arbitration proceedings shall be held in English.

9.8 The Parties recognize legal force and validity of the documents send via fax and e-mail. If not specified otherwise an e-mail address indicated on the Party's site will be used as official address for communication. As to the Seller e-mail address info@uniflexpackaging.eu can be used for correspondence.