

**GENERAL TERMS AND CONDITIONS OF SALES AND DELIVERIES**  
**AKAT-GROUP Sp. z o.o. / PACKAGING / Wrocław 2.02.2015**

The Client hereby declares that by starting cooperation with AKAT-GROUP Sp. z o. o. they accept the commercial terms and conditions set forth in the "AKAT-GROUP Sp. z o.o. General Terms and Conditions of Sales and Deliveries".

AKAT-GROUP Sp. z o.o. hereby states that purchase orders may be fulfilled for the Clients in participation of or in cooperation with external companies that AKAT-GROUP Sp. z o.o. has partnered up with, or will be subcontracted thereto.

The following terms and conditions take into account those relationships, which is hereby accepted by the Client without reservations, while AKAT-GROUP Sp. z o.o. bears full responsibility for their partners in accordance with the General Terms and Conditions of Sales and Deliveries Cooperation with AKAT-GROUP Sp. z o.o. of 2.02.2015 r.

**1. Delivery agreement execution.**

A delivery agreement is executed when the Client sends back a signed and stamped purchase order issued by the Supplier in writing/by electronic mail.

Changes to the agreement must be made in writing under pain of nullity.

The written purchase order of the Client shall specify such information as the following: product name, composition, order quantity (in appropriate units of measurement – kg, m<sup>2</sup>, r.metre, pcs., packages), expected term of delivery, and address and conditions of delivery.

If the Client withdraws from the agreement later than 3 days after the receipt of a purchase order acknowledgment, the Client shall bear the full costs of the works performed and the materials purchased by the Supplier.

A person signing the purchase order and/or the acknowledgment, but not authorized to act on behalf of the Client pursuant to Article 103 Section 3 of the Civil Code shall be fully liable towards the Supplier.

**2. Supplier's Obligations**

The Supplier shall: make a product ordered in accordance with an acknowledged order (agreement/contract); pack the product in a standard way in accordance with the product characteristics; mark the product (with labels unless specified otherwise); notify the Client when the product is ready to be collected; release the product to the Client or, if agreed, organize the delivery to a place specified by the Client. Upon the request of the Client, the Supplier shall provide them with information on the properties, intended use, and composition of the product.

**3. Graphic designs**

If the Client orders a graphic design to be made by AKAT-GROUP Sp. z o.o., the Client shall specify the requirements regarding the said graphic design, such as:

- printing method (reverse printing, surface printing),
- exact dimensions,
- requirements regarding the artwork.

A graphic designer shall, based on the Client's requirements, prepare at least 2 different versions of the graphic design for the Client to choose.

Designs made by AKAT-GROUP Sp. z o. o. are protected in accordance with the Copyright and Related Rights Act (Journal of Laws 24.83.1994). The cost of the design preparation which resulted in the performance of an order shall be borne by AKAT-GROUP Sp. z o. o.; however, if no order is eventually placed by the Client, the

cost of the design shall be borne by the Client.

If the Client provides a ready-to-use graphic design, the Graphic Designer shall assess whether it can be printed and, if necessary, makes necessary changes and submits them to the Client for acceptance. If the design is being accepted via electronic mail, PANTONE colour numbers must be provided. Otherwise, the packaging colours may differ from the design (JPG, PDF) colours displayed on a computer monitor and, in such a case, AKAT-GROUP Sp. z o. o. shall not be held liable for any colour inconsistencies of the printed products.

The acceptance of a design sent via electronic mail as a PDF document or a JPG file means that it has been prepared in accordance with the order and expectations of the Client, especially in terms of:

- colours,
- dimensions,
- layout,
- text,
- bar codes.

After the design is accepted by the Client, the Graphic Designer – upon the request of the Client – may order a cromalin or may prepare a proof, then the Graphic Designer submits it to the Client for acceptance.

The cromalin or proof acceptance means that it has been prepared in accordance with the order and expectations of the Client, especially in terms of:

- colours,
- dimensions,
- layout,
- text,
- bar codes.

An accepted cromalin constitutes a printing reference.

The Client may participate in the first product printing, accepting it as a reference for further reprints.

Upon the express written request of the Client, a printed design may be accepted by a representative of the Supplier indicated by the Client.

If the Client orders a new design to be made by AKAT-GROUP Sp. z o.o., the Client shall accept the design within no more than 30 days of the receipt of the first suggestion of the graphic design.

If the Client withdraws from the agreement, they shall cover all the costs incurred by the Supplier in relation to the preparation of the production process.

#### **4. Price**

The current product price is specified on each purchase order acknowledgment.

#### **5. Delivery date**

A delivery date is determined depending on the time needed to make a product and procure raw materials. A delivery date may be extended by the duration of difficulties in raw material procurement, machine failures, strikes, natural disasters, etc. If the above impediments last longer than 14 days, each of the Parties is entitled to withdraw from an agreement, but their counterclaims are, in such a case, restricted to demanding only the return of what the Parties themselves have provided to the other Party.

A delivery date means a date when a product is released to the Client. If the Supplier is responsible for the transport, a delivery date is a date when the product is delivered to the Client.

A timely delivery is conditional upon the Client meeting all the provisions of an agreement.

## 6. Package

The Supplier releases a product in a package that is suitable to the product characteristics.

The Client shall bear the costs of any special packaging. Not-for-sale packaging shall remain the property of the Supplier and shall be returned by the Client at the Client's cost within a period specified by the Supplier.

## 7. Product release

A product is released at the Supplier's warehouse or at a place indicated by the Supplier. Choosing a different place requires an express, written agreement between the Parties.

A product release to the Client (acceptance) is confirmed with a document signed by a representative of the Client.

A person acting on behalf of the Client when accepting a product at the Supplier's warehouse or at a different place other than the Client's registered office shall show a written authorization. If a product is entrusted to a carrier, a document confirming the delivery is a shipping list confirmed by the Client.

If an order is to be delivered to the Client through a transport company, AKAT-GROUP Sp. z o. o. shall not be held liable for delays or damages to the goods attributable to the transport company.

## 8. Physico-chemical properties

The exact physico-chemical properties of products along with dimension tolerances are specified in Order Performance Arrangements or a purchase order acknowledgment.

Unless otherwise specified in writing on a purchase order – dimension, physico-chemical, and quantitative tolerances may be up to 10%.

## 9. Payments

The Client shall pay the price of a product delivered within a period specified on an invoice by cash or by a bank transfer to a specified bank account. Any other payment method must be agreed with the Supplier. A payment date is deemed a date of crediting the Supplier's bank account. In any case of a delayed payment, the Supplier is entitled to demand statutory interest on the amount due to the Supplier.

## 10. The right to withhold a delivery

The Supplier reserves the right to withhold a delivery (deliveries) if the Client is in arrears with payments for the previous deliveries or if the Supplier becomes aware of bankruptcy proceedings, recovery proceedings, or enforcement proceedings against the Client.

## 11. Supplier's responsibility

AKAT-GROUP Sp. z o. o. reserves the financial responsibility up to the value of a particular purchase order. Any claims arising from improper performance or a failure to perform an order on time exceeding the purchase order value shall be examined only if the Client had expressly specified the amount of potential claims before AKAT-GROUP Sp. z o. o. accepted the order.

The Client guarantees that they are entitled to use the documentation provided (pictures, drawings, designs, trademarks, graphic designs, etc.) and no third-party will raise any claims against the Supplier on account of a violation of intellectual property rights.

## 12. Terms and conditions of warranty and complaints

AKAT-GROUP Sp. z o. o. guarantees the quality of their products for a period of 12 months from their production.

Quantitative non-conformities shall be reported within 7 days of the receipt of a product.

A complaint will not be examined if it relates to products accounting for less than 1% of all the delivered products or if a product is not identified as a product of the Supplier.

A complaint may only relate to a defective part of the product.

The Client loses any and all the rights under the guarantee if the Client stores the products in inappropriate conditions (the product should be stored in a dry room at a temperature of no less than +5°C and no more than +35°C, at a distance of at least 1 m from heating devices; the product should also be protected against direct sunlight).

The prerequisite for lodging the complaint by the Client is submitting the delivery document and the labels of the products complained about. In the absence of the above-mentioned documents or if the complaint is filed after the expiry of the guarantee period, the complaint will not be examined.

Complaints must be lodged in the guarantee period in writing by specifying the type of the product complained about, the quantity, and the description of the defect or the processing problem found.

Until a complaint is examined, the product complained about should be packed, labelled, and protected against damage. A product that becomes damaged during the complaint examination process (due to a failure to protect or store it properly) is no longer subject to the complaint.

A product complained about cannot be returned without the prior written consent of the Supplier.

If there are latent defects found (negatively affecting further processing), the Client shall stop the product processing and immediately notify AKAT-Group Sp. z o.o. of that fact in writing.

AKAT-GROUP Sp. z o.o. shall examine the complaint and inform the Client of the way of dealing with it in writing within 14 days of lodging the complaint.

If it is necessary to test the products in an external laboratory, the above period may be extended.

In the case of deliveries at the cost of AKAT-GROUP Sp. z o.o. (via a transport company), the Client, upon the delivery, is required to check the product for transport damage. Such a complaint will be examined if the delivery document (e.g. shipping list) contains a description of the product damage signed by the driver and the Client, and provided that AKAT-GROUP Sp. z o.o. receives a written information on the damage within 3 days of the receipt date.

The complaint will not be examined if the Client fails to submit the above document and if the product is damaged at the Client's site, e.g. core creasing. In such cases, the goods may be repaired at AKAT-GROUP Sp. z o.o. at the Client's expense only.

### **13. Court competence**

Any potential disputes that may arise in relation to a delivery agreement shall be resolved by a competent court having jurisdiction over the Supplier's registered office.

### **14. Notifications**

Any notifications and statements between the Parties shall be made in writing. If any of such notifications and statements have been made verbally, they must be confirmed in writing without undue delay.

### **15. Final provisions**

These terms and conditions constitute an integral part of a delivery agreement. AKAT-GROUP Sp. z o.o. may from time to time invoke provisions set forth therein when fulfilling a purchase order for the Client.

APPROVED BY: DAMIAN WIDERA/ President of the Board