

General Terms and Conditions – PURCHASE

1. General terms

- 1.1. Each purchase agreement (including contracts for work and labour) is exclusively made on the basis of these Terms and Conditions. Any conflicting or deviating supply and delivery conditions or other restrictions on the part of the supplier shall not become part of the agreement, unless the orderer has agreed to such conditions or restrictions expressly in writing and in individual cases only.
- 1.2. These TOB of purchase apply to the Unterland Flexible Packaging AG and all of its subsidiary companies in which it is invested with at least 50 % of the shares.
- 1.3. The Unterland Flexible Packaging AG as well as any and all of its subsidiaries will be subsequently referred to as "orderer". A "supplier" shall be a party providing supplies or services for the parties named under point 1 para. 2, or intends to provide them.

2. Quotation

- 2.1. Each supplier has to exactly observe the previously made request, if any, of the requesting party for the preparation of its quotation. In case of deviations, the supplier shall point them out expressly.
- 2.2. The quotation has to be free of charge and shall not imply any obligations on the part of the requesting party.

3. Orders

- 3.1. Orders and changes to orders shall be made in writing (including fax and e-mail). The content of orders made orally or via telephone as well as changes to such orders shall only become binding if so confirmed in writing by the orderer.
- 3.2. Each order or change to an order shall be confirmed immediately by the supplier in writing, however, in any event prior to the delivery or provision of services.
- 3.3. Passing on orders to third parties requires the prior written confirmation by the orderer.

4. Delivery time

- 4.1. If any delivery time (deadline) has been agreed, it shall start from the day of placement of the order concerned. The date of arrival of the goods at the orderer shall be the date of reference.
- 4.2. Any and all delivery times (deadlines) are binding. Arrival dates stated shall represent fixed delivery dates.
- 4.3. As soon as the supplier can assume that he will not be able to fulfil its contractual obligations, or not fulfil them in time, he shall immediately keep the orderer notified of such circumstances stating the grounds for the expected duration of the delay.
- 4.4. If the supplier does not comply with its agreed delivery time, it shall be liable according to the applicable legal regulations.

5. Place of delivery or performance, bearing of risks and costs

- 5.1. In principle, the place of delivery or performance shall be the place of reception agreed and designated by the orderer. Generally, the supplier has to deliver free of charge to the place of reception, including packaging and transport insurance. The costs are included in the price. The supplier shall be liable for any and all losses and damage happening during transport, including unloading and until acceptance at the place of reception.
- 5.2. The orderer, however, shall also be entitled to receive ex works at the supplier, resulting in a reduction of costs incurred by transport. If the orderer makes use of this right of selection, he shall keep the supplier notified in good time. In this case, usage and risk shall pass to the orderer with the act of acceptance.

6. Transport and shipping regulations

- 6.1. If the transport and/or shipment is performed by the supplier, he shall take responsibility for it and taken the interests of the orderer into appropriate consideration, especially in terms of selecting a suitable and reliable means of transport. The supplier shall be obligated to send a shipment note to the relevant reception office.
- 6.2. Each delivery comes with a waybill stating order number, item number, internal item designation of the orderer (according to order) and the order date.
- 6.3. On each shipped item, a label with the information required by the orderer must be applied clearly legible and in German or English language (whatever applies). A shipment unit shall be defined as the relevant invoicing unit. In case of doubt, the supplier shall label all packaging units. The supplier shall be liable for any damage resulting from non-compliance with this labelling requirement.
- 6.4. In case of transport by sea, the name of the shipping company and the ship must be stated in the waybills as well as in the invoice.
- 6.5. In principle, the supplier or hazardous products has to provide packaging and product identification as well as shipment according to nationally and internationally applicable regulations. Accompanying documents must state the

hazard class as well as any other information required by the relevant shipping regulations.

- 6.6. The supplier shall be liable for any damage and shall bear the resulting costs caused by non-compliance with these regulations. He shall also be responsible for compliance of these shipment regulations by any sub-contracted transport firms. All shipments that cannot be accepted due to non-compliance with these regulations shall be stored at the expense and risk of the supplier. The orderer shall be entitled to verify content and state of such shipments.

7. Warranty

- 7.1. The supplier shall guarantee that the supplied item or the service to be provided (object of performance) has the properties usually assumed as well as agreed, in particular those stated in the order, and that the object of performance shall match any given specimen or sample in all points, that it corresponds to any given description and is free from any rights of third parties. Furthermore, the object of performance shall comply with public statements of the supplier and the manufacturer, especially in brochures, product descriptions or the like, whenever they refer to the object of performance or any of its basic materials. The same applies to public information of all intermediate links in production or the sales chain, as well as public statements of a person that identifies itself as producer by applying its name, its brand or any other mark. Such public statements, however, shall not bind the supplier, if they were corrected expressly and in writing at the time of execution of the agreement and have not become part of the agreement. The supplier shall also guarantee that the delivered item(s) comply with the generally acknowledged rules of technology, the applicable legal and public regulations, the relevant applicable technical safety requirements and in particular the workers protection and accident prevention regulations. The warranty of the supplier shall also cover components produced by sub-contractors. If the object of
- 7.2. performance does not comply, the orderer may, at its discretion, demand the remedy of the defects or the supply of fault-free goods or services (supplementary performance), an appropriate reduction in price (price reduction) or the rescission of the contract (annulment). In any case, an extra-judiciary declaration of the orderer shall be sufficient. The right to a price reduction or annulment shall also apply, if the orderer has requested supplementary performance, but the supplier has denied it, has not provided it within an appropriate deadline, fails in providing supplementary performance, or if any further action to provide supplementary performance would be unacceptable to the orderer.
- 7.3. Any and all costs of supplementary performance, especially labour and material costs as well as costs from any type of transport shall be borne by the supplier. In principle, the parts subject to complaint under the warranty title shall remain at the disposal of the orderer until replacement thereof and shall become property of the supplier at the time of replacement. If the object of performance is transported to the supplier or any third party nominated by the supplier in order to provide supplementary performance, the supplier shall bear the risk of any accidental loss and accidental deterioration until the repeated handover to the orderer.
- 7.4. The warranty period for mobile goods shall be two years, unless otherwise agreed and confirmed by the orderer in writing.
- 7.5. The orderer shall notify the supplier of any defects to the object of performance without any unreasonable delay (notice of defects), as soon as they are found according to the circumstances of proper business procedures. However, the warranty rights and any other rights of the orderer due to the defectiveness of the performance shall remain unaffected both by the acceptance of the deliveries and services by the orderer as well as in case of any late or default in issuing a notice of defects.
- 7.6. If the supplier was notified of a defect within the warranty period, the expiry of the warranty deadline shall be halted, if the rights resulting from the defect are asserted without any unreasonable delay. If the object of performance is totally renewed, the warranty period shall start from the beginning again. In case of partial renewal, this shall apply to the renewed parts.
- 7.7. For any other issues the legal regulations shall apply.

8. Remedy of defects by the orderer

- 8.1. As a consequence of a defect, the orderer may, after unsuccessful expiry of an appropriate grace period to provide supplementary performance, remedy the defect himself or have it remedied by a third party and require reimbursement of the expenses incurred. He shall also be entitled to this right, if the supplementary performance has failed or is unacceptable to the orderer due to valid reasons to be attributed personally to the supplier, if the supplier refuses the performance seriously and finally, if the performance has not been provided until a deadline or within a certain time frame stipulated in the contract and the orderer has a contractually determined interest in the timely performance, or in case of special circumstances that would justify immediate performance by the orderer, taking into consideration the interest of both parties involved.

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- 8.1 The orderer may request a down payment from the supplier for the expenses required to remedy the defect.

9. Compensation for damage resulting from defects or consequences of defects

- 9.1 If the performance is defective as defined under point 7 paragraph 1, and if the supplier is responsible for such defect, the orderer may choose to seek compensation by way of remedy of the defect or by requesting the delivery of defect-free goods (supplementary performance), or financial compensation. Point 7 paragraph 2, phrases 2 and 3 as well as point 7 paragraphs 3, 5 and 6 apply analogously.
- 9.2 As regards damage to other legal goods caused by defective performance (consequential damage caused by defects), the supplier shall be liable according to the same legal regulations. The supplier shall inform himself sufficiently about the use of the products to be delivered by him, or about the services to be provided by him in the plant of the orderer, as well as the resulting requirements regarding his performance.
- 9.3 The supplier shall keep the orderer indemnified of any and all claims based on producer liability issues as well as based on the product liability act, if the supplier or its sub-contractors are responsible for the product defect triggering the liability case.
- 9.4 For all other issues, the legal regulations shall apply.

10. Liquidated damages

Any agreed liquidated damages in case of delayed, defective or otherwise non-contractual supplies shall apply independent of any responsibility on the part of the supplier. Claims for any further damage shall not be affected thereof.

11. Tests and material certificates

- 11.1 If tests are provided for the object of performance, the supplier shall bear the material and personnel costs. The orderer shall bear its own personnel costs. The supplier shall send a binding notification to the orderer at least one week in advance and in writing to indicate readiness for such testing and shall agree on a date for the test. If the object of performance is not available at that date, the personnel test expenses of the orderer shall be borne by the supplier.
- 11.2 If repeated or additional tests become necessary due to defects found, the supplier shall bear the material and personnel costs.
- 11.3 As regards the material certificates of the basic materials, the supplier shall bear the material and personnel costs.

12. Insurances and liability stipulations

- 12.1 For damage caused by him, his staff or persons instructed by him in the course of providing his services or work or material, the supplier shall take out sufficient coverage by liability insurance at his own costs. The amount covered per damage event shall be documented to the orderer at his request.
- 12.2 Taking out a special assembly insurance in addition to the liability insurance requires an agreement between the orderer and the supplier in individual cases. Machines, gadgets, tools etc. loaned to the orderer shall be insured by the orderer against the usual risks.
- 12.3 Any additional liability of the orderer for loss or damage of the loaned machines, gadgets, tools etc. shall be excluded, except in cases of premeditation or gross negligence.

13. Price calculation

If the supplier lowers its prices between order and delivery and/or improve its conditions, the prices and conditions applicable on the day of delivery shall apply. Price increases and oversupplies shall only be accepted with the invoice, if the orderer has declared his consent in writing prior to receiving such invoice. Otherwise, a reduction on the invoice shall be made.

14. Invoice and payment: delayed payment

- 14.1 Invoices must not be enclosed with goods. Invoices without order numbers may be rejected.
- 14.2 Invoices must correspond to the order as regards the form of expression, sequence of text, items and prices. Any additional or reduced performance must be stated separately in the invoice.
- 14.3 Payment periods start with the agreed date, however, on the day of reception of goods and invoice at the earliest. If the reception of goods and invoice does not take place with the same date, the payment period shall only start with the date when both goods and invoice have been received.
- 14.4 Payment does not imply any recognition of conditions and prices. The time of payment has no influence on the warranty of the supplier or other rights based on the defectiveness of any performance or service.

- 14.5 If the orderer is late in making his payment, the supplier shall be entitled to interest in arrears at the amount of the actually documented damage caused by the delay, with a maximum of 5 % p.a. from the due date

15. Documents, instructions, spare part lists

- 15.1 The standards and guidelines listed by the orderer always apply as amended. These requirements must be requested by the supplier, unless they have already been made available.
- 15.2 All drawings, standards, directives and other documents that were handed over to the supplier for the production of the object of delivery by the orderer, as well as the documents prepared according to the special data provided by the orderer shall remain the sole property of the orderer and may not be used, copied or disclosed to third parties by the supplier for any other purposes. On request they have to be handed over to the orderer including all copies and duplicates. The orderer reserves the commercial property protection rights to all of the documents handed over to the supplier.
- 15.3 The supplier shall regard queries and orders and all work related to it as business secrets and has to treat them confidentially according to this fact. He shall be liable for all damage resulting to the orderer due to any violation of these obligations.
- 15.4 Documents and/or instructions of all kind required by the orderer for the usage, set-up, assembly, processing, warehousing, operation, maintenance, inspection, service and servicing of the object of delivery must be provided by the supplier in good time and unrequested.
- 15.5 Spare part lists in German language must be issued by the supplier at the time of delivery at the latest.

16. Items

Tools, films, masters etc. produced by the supplier for implementing the order shall become the sole property of the orderer at the time of payment at the latest, even if they remain in possession of the supplier. On request, these items must be handed over to the orderer.

17. Assemblies etc.

- 17.1 If assembly work, maintenance, inspection, service etc. is carried out at the plant of the orderer, the supplier and all its executing staff members have to comply with the applicable safety regulations of the orderer.
- 17.2 Instructions on these safety regulations will be given prior to commencement of work.

18. Violation of commercial protection rights

The supplier shall be liable for ensuring that the supply and usage of the supplied items does not violate any patents, licences or protection rights of third parties. Any royalties shall be borne by the supplier.

19. Advertising material/mention of references

Only with the expressed permission of the orderer shall it be allowed to make any reference to the business relationship with the orderer in information and advertising material. Mentioning it in reference lists of the supplier in words or images requires the consent of the orderer.

20. Origin of goods

Supplies from third-party EU countries must be in line with the preferential origin rules of the relevant preference agreement of the EU, unless otherwise expressly agreed in the contract.

21. Applicable law, partial voidness, interpretation of clauses

- 21.1 For these Terms and Conditions of Purchase and the overall legal relationship between the orderer and the supplier, Austrian law shall apply, excluding the UN Convention on Contracts for the International Sale of Goods.
- 21.2 In case of inapplicability of any stipulation under the Terms and Conditions of Purchase, another regulation shall apply that will be as close as possible to the content of the inapplicable stipulation.
- 21.3 The content of the German version of these Terms and Conditions of Purchase is binding.

22. Place of jurisdiction

The exclusive place of jurisdiction for all disputes directly or indirectly resulting from the contractual relationship shall be the Kufstein district court, independent of the amount in dispute. The orderer shall, however, be entitled at his discretion to file a claim at the relevant competent local court of the supplier's location.