

## GENERAL CONDITIONS OF ORDER EXECUTION

### GENERAL PROVISIONS

1. These general conditions of order execution (hereinafter: GCOE) shall apply to all accepted orders, both single and regular ones.
2. Whenever the conditions refer to the “supplier” this should be construed as YANKO Sp. z o.o. with registered office in Rzeszów.
3. The GCOE shall be binding upon the supplier and the ordering party from the moment of order acceptance until its complete delivery. In the event of modification of the conditions, the parties shall be bound by the current conditions.
4. Any and all modifications or departures from the GCOE shall require a written consent of both parties, or else shall be null and void.

#### §1

1. The proposed graphic designs shall remain the supplier's property until payment for the developed printing matrix is made. In the event of cancellation of an order, any copying or partial use of the graphic designs shall constitute a breach of the supplier's copyrights.
2. The supplier shall not be held liable for defects in graphic designs or texts owned by the ordering party, on the basis of which an order is executed.
3. The supplier shall not be held liable for minor deviations from the agreed specimen in terms of colours of prints on the manufactured packaging which result from technological limitations.

#### §2

1. All prices provided in offers are quoted net and the VAT (22%) shall be added.
2. The prices are inclusive of collective packaging.
3. The prices are exclusive of any add-ons (clips etc) and tools and devices required due to special conditions of delivery (EUR pallets, transport, freight forwarding etc.)

#### §3

Due to the manufacturing process technology, the quantities delivered may differ from ordered by max 20% of the quantity ordered in the case of small orders (i.e. not exceeding 20 thousand pieces or 100kg of product) and max 10-15% in the case of large orders (i.e. exceeding 20 thousand pieces or 100kg of product).

#### §4

1. Delivery shall be made within the agreed time, but may be rescheduled by max 4 working days.
2. Due to reasonable technological or random circumstances, the order delivery time may exceed the deadline specified in item 1 above. In such event, the delay in order delivery cannot constitute grounds for seeking damages from the supplier.
3. Provisions of the second sentence of item 2 above shall apply in the event of a delay or failure in delivery caused by circumstances beyond the supplier's control (fire, flood, import or communication restrictions, etc.)

#### §5

1. The goods ordered shall be collected at the supplier's warehouse, unless the parties have agreed to another place of collection.
2. In the event that the goods ordered are shipped to the Customer through a carrier or a freight forwarder, the supplier shall not be held liable for any damage caused during transportation.
3. In the event that the goods ordered are shipped to the Customer through a carrier or a freight forwarder, the supplier shall not be held liable for delays caused due to reasons attributable to them.

#### §6

1. Complaints shall be submitted in writing immediately after discovery of defects, but no later than within 3 months from the date of acceptance of goods by the ordering party.
2. A complaint shall include a detailed description of the defect (see: general quality requirements), information indicated at the collective packaging (product name, production date, shift, name of employee – **performing party**), quantity of the complained, defective goods, samples thereof and a copy of the purchase invoice, or else the complaint shall be rejected.
3. Filing a complaint shall not entitle to seek damages or withdraw from the contract.
4. Filing a complaint shall not exempt the complaining party from its contractual obligation – payment of the amount due for the goods.
5. In the event that the supplier accepts the complaint, the complaining party, upon prior agreement with the suppliers, may receive a price rebate or the defective goods may be exchanged for the same quantity of defect-free goods.
6. The goods complained may be returned upon prior arrangement with the supplier only.
7. Provisions of the (Polish) Civil Code shall apply to all matters not governed in these GCOE.

## GENERAL QUALITY REQUIREMENTS

### I. Tolerances for clear films:

1. width  $\pm 2$  mm
2. bobbin winding tolerance  $\pm 10$  mm of diameter
3. quantity  $\pm 10\%$
4. weight  $\pm 10\%$

### II. Tolerances for printed films:

1. width  $\pm 2$  mm
2. colour matching  $\pm 0,15$  mm
3. margins  $\pm 3$  mm
4. report  $+2, -2$  mm
5. colour  $\pm 2$  degrees Pantone
6. defected print 1%, does not apply to HDPE as due to material characteristics the film may crease and the printing may be defected in such spots

### III. Tolerances for bags:

1. dimensions  $+2, -3\%$
2. displacement of folding  $+2$  mm,  $-2\%$
3. air foil 0.5 mm
4. weld strength 0.5 kg/cm
5. number of defective pieces in a batch max. 1.5% (accounted for in the quantity packed)
6. euro-hole displacement  $\pm 2$  mm
7. quantity  $+10\%, -15\%$
8. print density in accordance with item II
9. due to specific characteristics of film, prolonged storage in the collective packaging may cause layers of film slightly stick together, which cannot serve as a basis for complaint.

### IV. Tolerances for paper in sheets

1. quantity  $\pm 10\%$
2. dimensions  $\pm 1\%$

### V. Tolerances for paper bags

1. paper weight  $\pm 15\%$
2. dimensions  $\pm 5\%$
3. colour  $\pm 3$  degrees Pantone
4. quantity  $+10\%, -15\%$