

THE GENERAL TERMS AND CONDITIONS OF PROCESSING ORDERS (HEREINAFTER REFERRED TO AS "THE GTCPC")

1. GENERAL PROVISIONS

1. The general terms and conditions of processing orders (hereinafter referred to as "The GTCPC") are applicable to processing all orders, both one-time and recurring.
2. Whenever in the following provisions a reference is made to "the Supplier", it shall be interpreted as YANKO Sp. z o.o. with its registered seat in Głogów Małopolski.
3. The Ordering Party can be a natural person operating a business, a legal person, and an organisational unit without legal personality.
4. The subject of an order is a product manufactured by the Supplier, based on these GTCPC.
5. These GTCPC constitute the general terms and conditions regarding agreements, within the meaning of Art. 384 of the Civil Code, and they are applicable to the sale of goods (referred to as "the products" in these GTCPC) manufactured by the Supplier for the Ordering Party.
6. The GTCPC shall be binding for the Supplier and the Ordering Party from the moment of confirming the acceptance of the submitted order for processing. Any changes and deviations from the GTCPC require the consent of both parties in writing, under pain of nullity, and are only applicable to the particular order.
7. The Supplier can hire subcontractors to carry out the orders.
8. Placing an order is tantamount to accepting the provisions of these GTCPC, by the Ordering Party.

2. ORDERS

1. Orders are received:
 - a) in an electronic form, by sending an order to the email address of a customer service consultant, or to yanko@yanko.com.pl, quoted on the website under www.yanko.pl/kontakt,
 - b) in writing, except that the Ordering Party is obliged to provide an e-mail address for the purpose of further correspondence, when placing an order.
2. All correspondence exchanged after the order has been accepted by the Supplier shall be done via electronic mail.
3. The order must be signed by persons authorised to represent the Ordering Party, in accordance with the provisions regarding the NCR (National Court Registry) and CEIDG (Central Registration and Information on Business). If an order has been placed by a proxy, the person signing the order should be in possession of

- a relevant power of attorney or authorisation, which shall be submitted at the Supplier's request. If there is no such authorisation or its scope has been exceeded, the person signing the order shall be liable without limitation for the damage caused to the Supplier.
4. If the Ordering Party is in arrears with payments for at least 10 (ten) days, the Supplier shall reserve the right not to accept a successive order, suspend any further production, until the overdue payments have been made, or to carry out the order after receiving a prior prepayment.
5. After receiving a query from the Ordering Party, concerning the products, the Supplier shall send a quote, containing the essential conditions for its carrying out, to the Ordering Party. Any further processing of the subject of the order shall take place, after the Supplier has received a confirmation of the offer from the Ordering Party.

3. GRAPHIC DESIGNS

1. The subject of the order shall be implemented on the basis of:
 - a) an analysis of the designs provided by the Ordering Party,
 - b) own designs of the Supplier.
2. Own designs proposed by the Supplier constitute their sole property. Any copying or partial use of the aforementioned designs without the Supplier's consent is prohibited and constitutes a violation of the Supplier's copyrights.
3. If it shall be necessary for the Supplier to change or improve the design delivered by the Ordering Party, in order to carry out the subject of the order, it can result in additional costs incurred by the Ordering Party. The Ordering Party does not have the right to use the aforementioned changes or modifications to the design, without the Supplier's consent.
4. The Supplier shall not be liable for any errors in the graphic designs or texts that are the property of the Ordering Party, based on which the order is being processed. The Supplier shall not be obliged to inform the Ordering Party about any cases, when an error has been found in the graphic designs provided by the Ordering Party.
5. By placing an order, the Ordering Party declares that they have an unlimited right to use the material (graphics, logotype, sign, etc.) submitted for printing.

Should any third party make a claim against the Supplier for infringement of their rights, on the part of the Supplier, the Ordering Party undertakes to indemnify the Supplier from such liability, in its entirety, and reimburse them for the expenses necessary for their purposeful defence, including any legal costs.

6. The Supplier shall not be liable for any differences from the agreed pattern, regarding the colouring of the overprints on the manufactured packaging, which are determined by the applied printing technology. After accepting the order, the Supplier shall perform a visualisation of the subject of the order (proof), which is then presented to the Ordering Party for acceptance. Any graphic differences regarding a completed subject of the order, including its colouring, in relation to the aforementioned visualisation, can be a result of applying the colour identification system template specified in the Pantone Matching System.

7. Placing an order by the Ordering Party constitutes a confirmation that they have validated the graphics and verified the product (packaging) for the packed goods.

4. PRICES AND PAYMENTS

1. All prices quoted in the quotes should be interpreted as net prices, to which VAT (23%) tax should be added.
2. The price includes a standard collective packaging. If there are specific requirements regarding collective packaging, their cost will be added to the order, as a separate quote.
3. The price does not include all potential additional accessories (clips, etc.) and required equipment, resulting from special delivery conditions (EURO pallets, transport, forwarding, and others).
4. The quote indicated under item 2.5 is valid for 1 (one) month from the date of its drawing up and submitting to the Ordering Party. If the order is placed after this date, the Supplier shall present to the Ordering Party a quote valid on the date of placing the Order.
5. In the case of new customers, production starts after the amount specified in the quote has been pre-paid.
6. If the Ordering Party has cancelled an order already in progress or completed, they shall be charged with the costs incurred by the Supplier.
7. The submission of a complaint does not release the claimant from the obligation to perform the service, i.e. to pay the amount due for the subject of the order.

5. DELIVERY DATE

1. Delivery shall take place on the date agreed in the quote, including the possibility of its postponing for a period not longer than 4 (four) working days.
2. In cases justified by technological reasons and random circumstances, including delays in execution or inability

to execute the order, resulting from circumstances beyond the Supplier's control (fire, flood, import and communication restrictions, epidemic, etc.), the date of order completion can go beyond the date indicated under item 5.1. In such a case, the Supplier shall inform the Ordering Party of these circumstances, within the period of time specified under item 5.1. A delay in completing the order, caused by the circumstances specified in the sentence above, shall not constitute a basis for pursuing any claims for damages from the Supplier.

6. TERMS OF DELIVERY

1. The subject of the order shall be collected from the Supplier's warehouse, unless the parties have mutually agreed on a different place for its collection.
2. If the subject of the order has been sent to the Ordering Party, using a carrier or a forwarding company, the Supplier shall not be liable for any damage caused during transport.
3. If the ordered goods have been entrusted to a carrier or a forwarding company for transport, the Supplier shall not be liable for any delay caused through their fault.
4. Any possible damage caused during transport shall be reported to the carrier, during unloading, and a complaint report should be drawn up containing a note signed by the driver who made the delivery.
5. Ownership rights to the goods shall be transferred to the Ordering Party, when the subject of the order has been handed over to the Ordering Party or to a carrier acting on behalf of the Ordering Party, at the registered seat of the Supplier, unless the Parties have agreed otherwise. Delivery shall be carried out under the INCOTERMS 2020 CPT rules.
5. The Ordering Party shall be obliged to cover the costs of storage, if they fail to collect the subject of the order within the prescribed period of time, in the amount of PLN 50.00 for each day of storage.

7. DELIVERY DOCUMENTS

1. For the purpose of delivery, the Supplier will provide the Ordering Party with a delivery note and/or a VAT invoice, which specifies the date and method of payment.
2. Any certificates, declarations of conformity, or other documents confirming the quality (properties) of the goods shall be attached to the subject of the order or sent in an electronic form, if such a requirement has been mentioned in the order or the agreement.

8. COMPLAINTS

1. The Supplier guarantees the quality of goods and services.
2. The Ordering Party is obliged to check the goods

immediately upon receipt, in terms of their quality and quantity.

3. Complaints should be reported as soon as possible, after detecting any possible defects, but no later than within 30 (thirty) days from the date of receipt, in the case of quantitative complaints, and within 3 (three) months from the date of receipt, in the case of qualitative complaints.

4. Such a complaint must contain a detailed description of the defect (see the general quality requirements), specify the quantity of the product under complaint, and attach the product's label, otherwise the complaint shall not be accepted. Any possible irregularities do not entitle the Ordering Party to complain about the entire delivery.

5. The Ordering Party is obliged to secure the defective goods for the Supplier's disposal and, if necessary, provide a sample of the defective goods for the purpose of appropriate tests. The Ordering Party is responsible for the appropriate protection of the defective product for the time of its transport (in particular, place the goods on a pallet and use a cardboard spacer to protect it against damage, and wrap the goods in a protective film, on each side).

6. Lodging a complaint does not give the right to cancel the payment for the completed order. Lodging a complaint also does not give the right to make claims, concerning any possible damages, before completing the process of considering the lodged complaint.

7. In the case of defects regarding quality, the Supplier shall be liable only to the amount of the net price paid by the Ordering Party for the defective subject of the order. All far-reaching claims shall be excluded, and the Supplier, in particular, shall not be liable for indirect damages and lost profits.

8. The Supplier shall not be liable for the suitability of the goods for the purpose expected by the Ordering Party, if the Ordering Party has not specified any conditions concerning the goods, in writing, and the Supplier has not confirmed them.

9. In the event that the Supplier has accepted the complaint, the claimant can obtain a correction to the invoice only for the returned goods being the subject of the complaint, or a price discount, after prior consultation with the Supplier.

10. The goods under complaint can only be returned, after prior arrangement with the Supplier.

11. If the complaint proves to be unjustified, the Supplier is entitled to charge the Ordering Party with the costs of the complaint procedure, including the costs of travel to the Ordering Party, transport, and examination of the

goods. The shelf life packaging (packaging durability) is included in the declarations of conformity, quality certificates or technical specifications and depends on the type of packaging and storage conditions.

12. The time for processing a complaint should not exceed 30 (thirty) days from the moment of handing over the defective lot of the subject of the order to the Supplier's warehouse. If a decision has been made not to bring the defective goods to the Supplier's warehouse, the time of processing the complaint is counted from the date of submitting it to the Quality Control Department of the Ordering Party.

13. The Supplier shall not be liable for any defects resulting from an incorrect design of the packaging for a specific application, by the Ordering Party, taking into account the process of packaging and the conditions of transport and selling of the finished product.

14. Samples or specimens shall only constitute examples of ready packaging and cannot be considered a basis for any making any claims, in relation to the completed order, concerning its quality, applicability under certain conditions or for a specific purpose.

15. Notwithstanding the provisions set out above, a complaint will not be considered, if the subject of the order falls within the scope of the General Quality Requirements specified under item 10.

9. FINAL PROVISIONS

1. The Ordering Party can not transfer any knowledge, information, and documents obtained as a result of business contacts with the Supplier, to third parties, without the Supplier's consent.

2. In matters not regulated by this Agreement provisions of the Civil Code and other relevant provisions shall apply.

3. In any case, Polish law shall apply to the performing of orders covered by these GTCPC.

4. Any disputes will be settled by way of amicable arrangements. In the event of a disagreement, the dispute shall be settled by a court having jurisdiction over the Supplier's registered seat.

10. GENERAL QUALITY REQUIREMENTS

1. Due to the manufacturing process, the produced quantities can differ from those stated in the order, within the following tolerances:

- a) for orders up to 30,000 units or 200kg - 20%;
- b) for orders from 30,000 to 100,000 units or from 200 to 500kg - 15%;
- c) for orders exceeding 100,000 units or 500kg - 10%.

2. Due to the specific nature of individual processing operations and the tolerances imposed on raw materials, by their manufacturer, the permissible



maximum number of defective packaging or quantity shortages in the delivered batch not subject to a complaint is 1.5%. Therefore, the following tolerances have been assumed for the finished product:

a) Plastic film tolerances:

- width ± 2 mm, for LDPE film ± 5 mm;
- basis weight $\pm 10\%$;
- colour matching 0.4mm;
- margin displacement ± 3 mm, for LDPE film ± 5 mm;
- repeat +2, -5mm;
- delta 5 colour on the CIELAB scale;

b) Plastic bag tolerances:

- width ± 2 mm, for LDPE film ± 5 mm;
- displacement after assembly ± 2 mm;
- teardrop 0.5mm;
- weld strength min. 2 N/15mm;
- Euro-hole displacement ± 2 mm;
- delta 5 colour on the CIELAB scale;
- due to the specific properties of the film, especially in the case of longer storage in collective packaging, film layers can slightly agglutinate, which does not constitute grounds for making complaints.

c) Paper tolerances for paper sheets and bags:

- basis weight of paper $\pm 15\%$;
- dimensions ± 5 mm;
- delta 5 colour on the CIELAB scale.