GENERAL TRADING TERMS & CONDITIONS

1. GENERAL PROVISIONS

1.1. These general trading terms and conditions, hereinafter referred to as the "GTT&C", are applicable to all contracts of sale and contracts for the provision of goods concluded by PAK SP z o. o. in Torun, as the Seller.

1.2. The provisions of these General Trading Terms and Conditions may only be amended in writing or by electronic mail or else shall be null and void. The conclusion of a separate contract of sale excludes the application of these general terms and conditions solely in the scope expressly dealt with in the contract in a different manner.

1.3. The GTT&Cs shall not apply to contracts concluded by the Seller with buyers who are consumers in the scope in which this would lead to a violation of the rights of such buyers resulting from the relevant provisions of the law.

2. CONCLUSION OF CONTRACT

2.1. The grounds for the conclusion of a contract of sale shall be the Buyer's order placed with the Seller in writing. The Parties preclude all possibilities foreseen by law of a tacit (implied) conclusion of a contract, acceptance of an offer, or amendment to a contract.

2.1.1. The order of the Buyer should contain the following:

2.1.1.1. The name of the range;

2.1.1.2. The composition;

2.1.1.3. The size of the order;

2.1.1.4. The expected date of performance of the delivery, the address and terms and conditions of the delivery;

2.1.1.5. The intended purpose of the ordered product.

2.2. The conclusion between the parties of a Contract of Sale takes place on the delivery by the Seller to the Buyer of a confirmation of acceptance of the order for execution made in writing or be means of electronic mail or else shall be null and void.

2.3. For the validity of the conclusion of the contract of sale or an amendment thereof all the statements exchanged between the parties shall be delivered in writing by post or electronic mail or else shall be null and void.

2.4. A catalogue of the elements of the order specified in Point 2.1.1. hereinabove is of an indicative nature. The absence of any of the aforementioned elements shall not result in the order not being validly made or in it not being processed and executed if, subject to the submitted order, the Seller is capable of establishing its contents in a manner that renders its execution possible.

2.5. The provision by the Seller to the Buyer of commercial information before the conclusion of the Contract shall not constitute an offer in the meaning of the Polish Civil Code, unless it was expressly stated otherwise therein.

3. GRAPHIC DESIGNS

3.1. The Buyer sets the criteria concerning the preparation of the graphic design, that is:

3.1.1. The type of print (reverse or surface);

3.1.2. Precise measurements of the copy;

3.1.3. The requirements regarding the design specifications.

3.2. The Buyer represents that he holds the rights to use the materials provided to the Seller (in particular: the components of graphics, drawings, designs, logos, photos, etc.) for the purposes of using them in the performance of the prints ordered by the Buyer. The Buyer represents that there are no other

circumstances that could render the Seller liable to third parties and declares that in the event of claims being lodged against the Seller by third parties, he undertakes to meet their claims in full.

3.3. The approval of a proof by the Buyer means that it has been performed in accordance with the order and expectations of the Client, particularly in the following respects:

3.3.1. The colours,
3.3.2. The dimensions of the copy,
3.3.3. The layout of graphics components,
3.3.4. The texts,
3.3.5. The bar code.

The approved proof (repress) constitutes the final design. The buyer takes part in the execution of the first print on the product, approving its final design for subsequent print runs. A designated representative of the Seller may approve the print at the written request of the Buyer. Should the Buyer fail to appear for the approval on date set by the Seller, the Buyer shall assume all responsibility for the design substance and colours and shall lose their rights under warranty.

3.4. The cost of preparing a new graphic design: Net PLN 1,000 for the graphic design, net PLN 300 for corrections. In the event of ordering a print from PAK, 2 project proposals and 1 correction are complimentary. Additional projects/corrections: Net PLN 300/hour of graphic designer work.

Correction – change in colour, adding or modifying text, minor changes in the layout of the elements of the project's graphics, etc.

The cost of modifications and corrections of a provided graphics design: Net PLN 600 for modifications, net PLN 300 for corrections. In the event of ordering the print of a design at PAK, one modification and one correction are complimentary. Additional modifications/corrections: Net PLN 300/hour of graphic designer work.

Modification – changing the concept to a different one constituting a major change in the design, combining elements of several different designs.

The cost of adapting material for printing, the implementation of one correction, one proof copy: Net PLN 300. In the event of ordering a design for printing at PAK, the above services are complimentary. Additional corrections: Net PLN 300/hour of graphic designer work. Additional proofs: A4: Net PLN 60/copy, A3: Net PLN 120/copy, A2: Net PLN 250/copy.

3.5. The Client may purchase the final open files at a cost of: Net PLN 3,000.
3.6. The graphic design specification of projects is available for download – CLICK HERE.

4. APPROVAL OF FILM AND LAMINATE PARAMETERS

Due to the variety of packaging lines, the packing devices held and packing and storage specifications, we recommend testing the first delivery of film in production conditions. Placing an order of another production batch without any reservations will be tantamount to approval of all the parameters of the first production batch.

5. SUPPLY & STORAGE TERMS & CONDITIONS

5.1. The Seller allows for the storage of the finished product at a net flat storage rate for one pallet 1200x800 for a period of one week of up to PLN 30.
5.2. The Seller delivers the goods to the warehouse of the Buyer at its own expense solely if the net value of goods exceeds PLN 7 900.00 (seven thousand nine hundred zloty). If the order does not exceed this value, the costs of delivery shall be covered by the Buyer according to the valid and binding forwarding price list.

5.3. The date of delivery is subject to change (extension) in the event of the following:
5.3.1. The Buyer failing to meet its obligations towards the Seller on a timely basis;
5.3.2. Circumstances beyond the scope of the normal course of events related to the activities of the Seller or its subcontractors, especially the likes of: power outages or interruptions in the supply of other utilities, production plant device downtime, and unforeseen disruptions in the supply of raw materials,
5.3.3. Caused by the actions or omissions of third parties, including delays in deliveries to the Seller by third parties (supplier or counterparty) of goods or parts or materials necessary to execute the order, as well as the actions or omissions of the carrier or freight forwarder.
5.4. In the event of a delay in delivery (release/collection of goods) at the request of the Buyer or due to the Buyer being in arrears with its payments exceeding a term of 100 days, the Seller retains the right to seek payment of the total amount due for the ordered goods before its release.
5.5. Due to the nature of the offered goods, the Seller reserves the right to execute the order with a tolerance of +/- 15% of the ordered amount.
5.6. The goods sold by the Seller are delivered on the following types of pallets:
5.6.1. Non-returnable (disposable) pallets,
5.6.2. Returnable EURO pallets 1200×800 – subject to 23% rate of VAT.
The costs of returnable pallets shall not be included in the price of the goods and each time is subject to return upon delivery.
5.7. In the event of the delivery of goods using own means of transport of the Seller, the Seller collects the returnable pallets in the amount corresponding to the amount of delivered pallets on which the goods were transported to the Buyer using the said means of transport – this shall not require an earlier written notification.
5.8. In the event of the delivery of goods using a forwarding company, the Buyer shall return the returnable pallets to the Freight Forwarder in the amount corresponding to the amount of delivered pallets on which the goods were transported to the Buyer using the said means of transport – this shall not require an earlier written notification.
5.9. In the event of the pallets not being returned, the Seller is entitled to recover the costs of the amounts owed in the net amount of PLN 35 per piece, just as is the case in respect of other goods, inclusive of interest for delays in payment.
5.10. The Seller shall be liable for damages caused by the delay in delivery solely and exclusively if the said damages were the result of the intentional fault of the Seller.

6. DELIVERY DOCUMENTATION

6.1. Each delivery shall be documented by a consignment note or delivery not along with a declaration of conformity.
6.2. All materials specifications, certificates and attestations shall be included by the Seller with the deliveries at the explicit request of the Buyer.

7. PRICES & PAYMENTS

7.1. The price of the goods being sold shall be determined each time in the offer. The offer is valid for a term of 5 business days, starting from the date of its dispatch.
7.2. The calculation entailed in the offer is subject to change once the proper specimen has been presented for printing.
7.3. The goods shall remain the property of the Seller until the Buyer has paid for the delivered goods in full.
7.4. In the event that the Seller purchases (secures) raw materials for the fulfillment of a specific order or framework order, the Seller has the right to charge the Buyer for the costs incurred for the purchase of raw materials that were not used in the fulfillment of orders for the Buyer, as well as the costs of storing such raw materials for longer than 60 (sixty) days.
7.5. In the event that, for any reason, the Buyer fails to collect the ordered goods, the Seller shall be entitled to charge the Buyer for the costs of storing the finished product.

7.6. The fee for storing raw materials referred to in point 7.4 and the fee for storing finished products referred to in point 7.5 shall be calculated as the equivalent of 3% (three per cent) of the ordered and uncollected goods.
7.7. The Seller shall be entitled to claim compensation in excess of the fees referred to in points 7.4-7.6.
7.8. The Buyer who has ordered test films undertakes to return the completed test reports (information on test results) within 100 (one hundred) days of the delivery date. If the completed test reports are not submitted, the Buyer shall be obliged to pay the Seller the equivalent of 250 EURO per roll of test film.

8. COMPLAINTS

8.1. The Buyer undertakes to promptly carefully examine the goods and check them in terms of their quantity. The Buyer shall report any discovered defects or inconsistencies with the contract to the Seller not later than within a term of 3 days from the date of collection of the goods or else the entitlement under the terms of a warranty shall be lost.
8.2. In the notification concerning the weight, the Buyer must provide the following:
  8.2.1. The date of conclusion of the contract of sale of the object vitiated by the defect;
  8.2.2. The date of discovery of the defect and the date of drawing up the letter;
  8.2.3. A description of the defect;
  8.2.4. A specification of the request;
  8.2.5. The signature of the Buyer.
8.3. In the case of defects that cannot be discovered despite careful examination at the time of collection, the Buyer is required to promptly notify the Seller in writing, but not later than within a term of 3 months from the date of collection and not later than within 3 business days from their discovery or else the entitlement under the terms of warranty shall be lost.
8.4. The return of the defective goods to the Seller may only occur subject to obtaining the Seller's prior written consent.
8.5. The rights of the Buyer under warranty shall be excluded in the event of failure to complete all the fields in the order.
8.6. The initiation of the complaints procedure shall not release the Buyer from his obligation to pay for the goods.
8.7. The parties permit minor differences in print colour in relation to the approved final design at a tolerance level of: Delta E 2000 (+/-) 3.
8.8. The Parties acknowledge that 2% (two per cent) of goods from each batch may not meet the requirements specified in the specification. In the event that the goods affected by quality defects do not exceed 2% (two per cent) of the quantity of goods in the batch, no rights to make a complaint shall apply.
8.9. The goods subject to complaint must bear the original markings of the Seller and a goods identification label. In the absence of the identification label, the complaint shall not be considered.
8.10. In the event of submitting a claim, the Buyer shall secure and safeguard the goods subject to complaint and make them available to the Seller's representative for verification and examination purposes at the Buyer's headquarters.
8.11. Should the Buyer find quality defects during the production process that have a negative impact on the further processing of goods, the Buyer shall immediately interrupt the use during production of the questioned goods and shall promptly notify the Seller in writing.
8.12. The Seller shall be liable solely and exclusively for the cost of the goods processed in the following quantities:
  8.12.1. Casings: 200 mb.
  8.12.2. Bags: 500 pcs.
  8.12.3. Films and laminates: 300 mb
8.13. In the event of a defect being reported by the Buyer in accordance with the provisions of this paragraph, the Seller shall examine the goods. In the event of the Seller recognising that the notification is valid and well founded, the Seller shall, at its discretion, remedy the defect or replace the defective goods to goods free of defects.

8.14. In the event of defects being detected, the liability of the Seller shall exclude the costs resulting from indirect loss and loss of profits unless they result from intentional fault.

8.15. The Seller bears the liability for damages in relation to the Buyer for the non-performance or improper performance of the obligation solely and exclusively if the damage resulted from intentional fault and solely and exclusively up to the amount of the gross price specified in the contract. The Seller shall not be liable for lost profits, including for indirect or secondary losses, loss of expected or sought benefits, as well as for the losses incurred by the Buyer in relation to the non-performance or improper performance by the Buyer of its obligations towards third parties.

8.16. The provisions of this paragraph shall constitute the sole regulation of the liability of the Seller for defects of goods. In the scope beyond the provisions of these GTT&C, the liability under warranty of the Seller shall be excluded subject to Article 558 § 1 of the Polish Civil Code.

9. WITHDRAWAL FROM THE CONTRACT

The Seller is entitled to withdraw from the contract, order or framework order if the Buyer fails to collect the ordered goods within the time limit specified in the order, and if no time limit is specified in the order, after 90 (ninety) days from the date of placing the order. A declaration of withdrawal from the contract must be submitted to the Buyer in writing or by e-mail. Submitting a declaration of withdrawal from the contract does not release the Buyer from the obligation to pay the amounts specified in 7.4.-7.6.

10. ADDITIONAL CLAUSES

The Seller may use samples of goods and the prints thereon, produced by the Seller subject to the order of the Buyer, particularly by the presentation thereof in the Seller's promotional materials (e.g., advertising films, printing templates, at trade fairs, including with international reach, and on websites, etc.).

11. FINAL PROVISIONS

11.1. All notifications, declarations and statements and amendments to the contract shall be made in writing or else shall be null and void, where the written form shall also mean signed email correspondence.

11.2. The relevant provisions of the Polish Civil Code shall apply in all matters not regulated by the GTT&Cs.

11.3. Any disputes that may arise between the Seller and the Buyer with reference to the performance of the contract shall be resolved by the competent court in Torun.