

## 1. Generalities

These general conditions apply to all sales performed by GVP ROMANIA PRODCOM SERV SRL, hereinafter referred to as Provider. Any other terms and conditions for these deliveries/sales, deviating from the hereby convention, must be agreed in writing between the parties, by means of a separate contractual document signed and stamped by both parties. The Purchaser declares to have read the hereby document which he accepts, declares that all orders placed by the Purchaser are subrogated to it and constitute the integral acceptance of the hereby terms of sale.

## 2. Orders tendering and acceptance, delivery time

The Provider's offers are considered firm only if they are made in writing and remain valid for 30 calendar days from the communication of the offer.

Only the orders which do not require the opening of the boxes shall be accepted, since the sale will be made only with integral boxes.

The delivery term shall be determined after the receipt of the technical data necessary for the execution of the product. Unless otherwise agreed, the written confirmation of the order by the Purchaser shall be relevant for the delivery time.

Unless otherwise expressly provided, the delivery orders upon request must be collected/picked up by the Purchaser within one month from the order date. Unless the Purchaser requests the delivery of the complete order in this period, the Provider shall be entitled to invoice the products existent in stock and to apply a storage fee amounting to 10 euro/pallet/month, however no more than 3 months.

## 3. Quality of the products.Tolerances

The paper and/or cartoon used for manufacturing the products (generically referred to as envelopes) or plastic materials (PE, PP), are subjected to technical quality and tolerances requirements, admitted according to the general norms applicable in the European Union. The minor aspect differences (colour, opacity, texture, etc.) of the products a regards to the presented model cannot lead to the rejection of the products by the Purchaser or to a price discount demand from the Provider.

The Provider shall be responsible for his products under the reserve of technical tolerances mentioned in the previous chapter. Nevertheless, unless the Purchaser issued other specification upon ordering, after the delivery, the Provider shall not be considered responsible for the damage of the products caused by the failure to observe the storage conditions and/or using conditions (insertion, customization, etc.), of the products manufactured by him.

The technical/quantitative/qualitative tolerances admitted in the production/delivery of the products are the following:

- format: the accepted tolerances for the paper products dimensions are +2 mm and +5 mm for the plastic ones.
- the dimension and positions of windows: tolerances are of +2 mm.
- the unglued distance of the window foil inside/outside the envelope may be of maximum 3 mm.
- the window foil may have a slight curl due to the production and printing process.
- the folding holes at the corner of envelopes may be of maximum 1 mm.

- the inferior and superior unglued distance of the side flap may be of maximum 5 mm.
- silicone strap may surpass the flap border with +3 mm.
- the variation in the position of the pattern: tolerances are of +2 mm

Taking into consideration that the production process takes place automatically, due to the speed of the production equipment, notwithstanding the rigorous procedures of quality control, random manufacturing defects can occur in a small number of products. The parties agree that, unless such defect affects more than 2% from quantity of the delivered products, they shall not entitle the Purchaser to reject the products.

The defects which can occur in products are the following:

- the paper is broken, curled, folded, stained, etc.
- the products which had to be printed lack the provided printing.
- products without adhesive on the flap
- products glued to each other and which cannot be separated without damaging the paper.
- anomaly in folding and/or gluing, obstructing the normal use of the products.
- window with faulty gluing or window absence

The Provider undertakes to replace the products only if they surpass the 2% tolerance accepted through the hereby document.

A  $\pm 2\%$  tolerance of the packed products shall be accepted.

In case of special orders (including the products printed upon the request of the Purchaser) quantitative differences upon the products productions shall be admitted, according to the ordered quantities, as it follows:

- Up to 10.000 product units: +10%
- Between 10.001 product units and 50.000 product units: +7%.
- Over 50.000 product units: +5%.

While in case of customized plastic bags and anti-shock envelopes:

- Between 10.000 and 50.000 product units +25%
- over 50.000 units +15%.

In all these cases, the issued invoice shall contain only the actually delivered quantities.

The pass for press for products printed upon the request of the Purchaser shall involve the responsibility of the Purchaser for the preformed order, while the Provider shall have the obligation to conform to such pass for press. The pass for press represents the warranty for the work execution. In absence of such pass for press, the Purchaser cannot request in any way the refund of the ordered products. Any form of modification requested by the Purchaser after the granting of the pass for press and which determines additional work from the Provider, shall be considered a modification of the order and shall entitle the Provider to invoice additional costs according to the additional works performed as regards to the initial order and to modify the execution term.

The samples, patterns, clichés and other works performed upon the request of the Purchaser and which have not been followed by an order within thirty days from their execution, shall be invoiced to the Purchaser.

Any type of models, colour samples or references to pantone shall not be considered samples of the quality of final printing of the products, unless they have been performed on the same type of paper, using the same printing procedures and in the same technical conditions as the final ordered product.

Due to special printing technics, in the production run, slight variation of the shades shall be admitted, while the printed lines and texts may be slightly thickened. Where the pattern laps over the folding stripes of the product, soft printing stripes may appear. Slight traces may also appear on the envelopes following their moving in the printing machine. These cannot justify the rejection of the products or price discounts claims from the Purchaser. When a printing model requires special demands and these technical tolerances cannot be applied, a previous accord between the Provider and the Purchaser must be concluded in order to define the execution conditions and the final price of the product.

In case of special orders, performed either with paper made available by the Purchaser (printed or not) or with other materials (envelops) made available by the Purchaser, the quantities of the products given in execution must be jointly agreed between the parties, based on the Purchasers' order. In any case, the Parties shall admit paper or material loss depending on the ordered quantities, as it follows:

- for a 100.000 units order, the admitted paper loss is of 20% and the materials (envelopes) loss is of 15%.
- for an order exceeding 100.000 units, the admitted paper loss is of 15% and the materials (envelopes) loss is of 10%.

Nevertheless, the invoice shall be determined depending on the actually delivered quantities.

The fabrication waste shall become the property of the Provider. The Provider shall not be considered responsible in any way for the defects in the paper or envelopes received from the Purchaser. In case of an error or poor execution, the Provider must replace, on his expense, the paper or envelopes, only when the deficiencies are determined by his gross negligence. Except for this last case, the Provider shall be considered responsible for his activity, only within the limit of the invoice related to such work.

## 4. Warranty of the products

The Provider issues the warranty for the products delivered to the Purchaser in the production standards conditions mentioned in the hereby document and only when the Purchaser observes the handling and storing norms.

Therefore, for the gummed gluing envelopes, the warranty term is of 1 year, while for the silicone and self sealing gluing envelopes, the warranty term is of 6 months from the delivery term.

The warranty shall be limited to a normal use of the Provider's products, in conditions adequate to their technical characteristics.

## 5. Delivery and Receipt of the Products

For the orders exceeding 600 RON net of VAT, delivered in Romania in one single trance, the transport value is included in the price agreed for that order, at the terms determined on a jointly basis.

For orders inferior to 600 RON, the Provider shall apply a transport fee amounting to 10 RON, except for the case in which the Purchaser collects that order from the Provider's deposit, the minimum order being of 400 RON.

For the orders performed outside Romania, the general conditions of sale are EXW Cluj-Napoca according to Incoterms 2010, except for the case in which the parties agree different, in the Agreement concluded between the Provider and the Purchaser.

The deliveries are performed depending on the availability and upon the orders arrival. The Provider is authorized to make the integral or partial delivery of the orders. The delivery term is indicated as precisely as possible, however it depends on the Provider's procurement and transport possibilities. All delivery characteristics (opening hours, delivery restrictions in the areas, etc.), must be indicated to the Provider upon order. Any delay in the delivery of the products due to transport delays or force majeure cases shall not entitle the Purchaser to reject the order or to request the equal value of the possible damage suffered in this regard from the Provider.

The Provider may deliver the commodities in advance, as regards to the initially specified terms, upon notifying the Purchaser.

The quantitative receipt of the commodities shall be made according to the law, in the presence of the Provider's delegated person, driver or transporter, immediately after it has been collected by the Purchaser. When the Purchaser collects the commodity from the Provider's deposit, the receipt shall be performed in his presence. The signing of the commodity receipt documents by the Purchaser shall exempt the Provider from any responsibility.

The qualitative receipt shall be performed in maximum 5 days from the delivery date of the commodities.

The hereby convention represents the law of the parties and has as object the sale and the purchase of the commodities mentioned in the invoices issued towards the Purchaser, their quantities and qualities being agreed by the Purchaser. The lack of Purchaser's objections with regards to the quality and quantity of the products shall represent the tacit acceptance of them.

## 6. Storage conditions for the products

In order to maintain the quality of the products, the following storage conditions shall be observed:

- The commodity shall be stored only on pallets;
- All boxes must be maintained closed, in order to avoid the paper to turn yellow, to avoid the damage of the printing or adhesive.
- The envelopes boxes must be kept away from sources of direct heat (radiator, sun, etc.), and humidity, in order to avoid the drying of the adhesive, or its activation. The store space must have a controlled temperature between 10 and 30 degrees Celsius and the humidity under 60%. The Purchaser must demonstrate the fulfillment of all storage conditions, otherwise, he shall not be entitled to claims with regards to the activation of the product quality warranty.
- The overlapping of the pallets is forbidden, as it can damage the boxes and their content.

## 7. Price, payment modalities and conditions

The invoices shall mention the applicable price practiced by the Provider upon the order date and for the delivery period and shall be issued on the day of delivering the commodity. The commodity price and the payment term shall be negotiated between the parties and registered in the invoice, the price being net of VAT.

The payment of the products shall be made on the due date specified in the invoice, in the currency in which the invoice is issued. Through the receipt of the commodity, the Purchaser expresses his consent regarding the price and payment conditions mentioned in the invoice. After the due date of the

period specified for the issuance of possible claims, the note of delivery and/or the invoice shall fully prove the uncontested and liquid debt against the Purchaser. The note of delivery shall be signed by both parties. The invoices unclaimed by the Purchaser within 10 days from their issuance shall become opposable to it, having as effect the direct acknowledgement/acceptance of the data mentioned in them, as well as the Purchaser's payment obligation under the conditions of observing the due date for the payment, previously agreed; also, the invoices or any other document issued by the Provider and specifying the Purchaser's payment obligations shall be considered expressly accepted by the Purchaser, when they are signed and/or stamped by it or by its representatives.

## 8. Penalties

The Purchaser agrees that, in case of failure to observe the agreed payment terms, to pay penalties amounting to 0.1% per day of delay, from the value of the outstanding invoice, without the necessity to be deemed in default, according to the law. If the deliveries which make the object of the conventions or of an act are successive and the Purchaser does not perform the payment in due time, the Provider shall be entitled to cease the delivery of the following commodity batch, being therefore exempted from the responsibility of the commodity delivery.

## 9. Property right

The commodities delivered by the Provider are the property of the Provider until the integral payment of the invoice and, upon the case, of the delay penalties. If the commodity is furtherly sold, all debts which the Purchaser acquires by selling the commodity shall be transferred to the Provider until the payment of the invoice. Nevertheless, the risk of the delivered products shall be transferred towards the Purchaser upon the delivery of the products.

## 10. Claims/ Returns

The Purchaser shall be responsible for verifying the conformity of the order with the delivery, upon the receipt of the products.

The possible claims regarding the quantity of the delivered commodity must be mentioned in the documentation concluded upon the delivery of the products. If they are registered in writing and exceed the tolerances provided at art.3 of the hereby Convention, the Purchaser may request to the Provider the integration of the order.

In order to be acceptable, the possible claims regarding the quality of the delivered commodity, the irregularities exceeding the technical tolerances specified at art. 3, must be notified to the Provider within maximum 5 calendar days from the receipt of the products when the defects can be noticed even upon a rough examination. Such period may be extended to one month when the products have irregularities which can be detected only after a detailed examination or upon the use of the products.

Any claim or information with regards to the quantity or quality of the products which is not included in the above limits shall not be taken into consideration by the Provider and the commodity shall be considered accepted. Any claim or information with regards to the quantity/quality of the delivered/sold products shall only be made in writing.

The Purchasers who possess inadequate commodity must inform the Provider in advance and to wait for his instructions, before returning the

commodity. The return of the commodity may be performed only with the written approve of the Provider and, upon the case, after performing the control on site, regarding the storage conditions and/or using conditions of the Provider. If the commodity is returned to the Provider without a previous consent, it shall be rejected.

The Products cannot be returned towards the Provider if they have suffered integral or partial processing.

When the return of ordered products is requested, this shall be done only for the products in original packs of the Provider and integral boxes. In case of returns unjustified by quantitative/qualitative deficiencies, the Purchaser shall integrally pay the cost for the outward or return transport and damages representing 50% from the value of the returned order.

When the Purchaser's claim is acknowledged as justified by the Provider, he must collect the products which do not fulfill the technical specifications of the order and to replace them on his expense in the shortest possible time.

If the replacement is not possible, the Provider must reimburse the value of the products at the price mentioned in the invoice.

## 11. Limitation of Provider's responsibility. Force majeure

Nevertheless, the Provider's responsibility for any damage caused based on or in connection to the hereby convention or with the products -object of this conventions, is limited to the value of the products in cause and shall not cover the possible indirect damages or moral damages.

The force majeure shall exonerate from responsibility the parties in case of integral or partial non-execution of the obligations assumed through the convention.

Through force majeure it is understood any event, independent of the volition of the parties, unpredictable and insurmountable and which deters the parties from the total or partial execution of the assumed obligations. These events may include, without limitation: fires, floods, lack of materials or transport, lack of electric energy, major accidents affecting the production, force majeure of the providers and/or subcontractors, any period higher than five days as regards to the normal transport time, strikes, riots, wars, etc.

In case of a force majeure event, the Provider must inform the Purchaser in writing, within 5 days from the event. In case of delay, the delivery term shall be extended with the delay duration, caused by the force majeure event.

## 12. Applicable law. Jurisdiction

The hereby convention shall be governed and interpreted according to the applicable Romanian legislation. All disputes or litigations occurred between the parties shall be amicably settled.

If such amicably settlement is not possible, the legal Courts in Cluj-Napoca shall have the competence to settle such disputes.

## 13. Final provisions

The hereby convention includes all rights and obligations of the parties related to the sale/purchase of the Provider's products and replaces any other previous negotiation or agreement between the parties. The nullity or inefficiency of one clause of the convention shall not affect its validity in integrity or the validity of another clause/annex.

The hereby convention may be modified only with the approval of the parties.