

General Conditions of Sale and Delivery SEALPAC INTERNATIONAL

1. General

- 1.1. The contract shall be deemed to have been entered into upon receipt of the written acknowledgement (order acknowledgement) of Sealpac International (hereinafter referred to as «SEALPAC») stating the acceptance of the order or upon the signing of the delivery contract.
The contract shall be binding only upon the SEALPAC company which signed the order acknowledgement or the contract. Tenders which do not stipulate a time limit for acceptance shall not be binding.
- 1.2. These General Conditions of Sale and Delivery (hereinafter referred to as «GENERAL CONDITIONS») shall be binding if declared applicable in the tender or in the order acknowledgement.
Any conditions which are in contradiction to these GENERAL CONDITIONS shall only be valid if expressly acknowledged by SEALPAC in writing.
- 1.3. All agreements and legally relevant declarations of the parties to the contract must be in writing in order to be valid.
- 1.4. Should one or more provisions of these GENERAL CONDITIONS be or become invalid for any reason whatsoever, the validity of the other provisions shall remain unaffected. In such case, the parties hereto shall replace the invalid provision with a commercially equivalent and enforceable provision.
- 1.5. The English text of these GENERAL CONDITIONS is the only authentic text and will always prevail in case of discrepancies in translated versions of these conditions.

2. Scope of Supplies and Services

- 2.1. The supplies and services of SEALPAC are exhaustively specified in the order acknowledgement or the delivery contract, including any appendices thereto. SEALPAC shall be entitled, however, to make any changes which lead to improvements, provided such changes do not result in a price increase.
- 2.2. SEALPAC shall be entitled to make partial deliveries; to the extent thereof, such partial deliveries shall have the effect of an undivided delivery.

3. Drawings and Technical Documents

- 3.1. Unless otherwise agreed upon, brochures and catalogues shall not be binding. Data provided in technical documents shall be binding only to the extent as expressly stipulated.
- 3.2. SEALPAC retains all rights to drawings and technical documents provided to the customer. The customer recognizes these rights and shall neither make the documents available to any third party nor use the documents for purposes other than those for which they were handed over.
- 3.3. SEALPAC shall not disclose to a third party any documents and drawings submitted by the customer and designated as confidential. SEALPAC shall, however, not be prevented from using, or developing ideas, concepts or specialised knowledge or to impart knowledge thereof to third parties, provided that such ideas, concepts and knowledge have resulted from the fulfilment of the contract and relate to methods of application processes or such like, unless there is a prior agreement in place to the contrary. This applies particularly to procedures and applications in area of packaging technology.
- 3.4. Any drawings and technical documents provided to the customer by SEALPAC are to be returned spontaneously and without delay to SEALPAC if no contract is ultimately concluded.
- 3.5. The customer shall, at the latest within 14 days after conclusion of the contract pursuant to Clause 1.1, draw the attention of SEALPAC to the safety regulations and standards applicable to the execution of the supplies and services in the country of destination (such as, for example, to any installation work), to the operation of the plant as well as the health and safety of personnel.
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4. Prices

4.1. All prices shall be deemed to be net ex works Oldenburg/ Germany or Emmen/Holland (hereinafter referred to as «SEALPAC FACTORY»), excluding packing, in freely available currency as per separate agreement, without any deduction whatsoever.

Any and all additional charges, such as but not limited to, freight charges, insurance premiums, fees for export, transit, import and other permits, as well as for certifications, shall be borne by the customer.

The customer shall also bear any and all types of taxes, fees, levies, customs duties and the like which are levied in connection with the contract; should SEALPAC be held liable for these, the customer shall reimburse SEALPAC against adequate evidence.

4.2. SEALPAC reserves the right to adjust the price in case the wage rates or the raw material prices vary between the submission of the tender and the time of the contractually agreed performance.

In addition, an appropriate price adjustment shall be made if

- (a) the delivery period has been subsequently extended due to any reason stated in Clause 7.3,
- (b) the nature or scope of the agreed upon supplies or services has changed, or,
- (c) the execution has undergone changes because any document furnished by the customer was not in conformity with the actual circumstances or was incomplete.

5. Terms of Payment

5.1. Payments shall be made by the customer at the domicile of SEALPAC in accordance with the agreed upon terms of payment, without any deduction for a cash discount, expenses, taxes, levies, fees, duties or the like.

In the case of partial deliveries, the payment shall be made on a pro rata basis; the paragraph above shall likewise apply. Unless otherwise agreed upon, payment shall be made as follows;

- 40% down payment within 10 days from date of order confirmation
- 50% payment before confirmed Ex Works delivery date
- 10% payment within 30 days from Ex Works delivery date

At the request of SEALPAC, the customer shall secure all payments by means of a letter of credit pursuant to ICC directives (ICC publication no. 500), which is confirmed by a Dutch bank. Payment shall be deemed to be effected as soon as the required amount in the agreed upon currency has been transferred to a bank account of SEALPAC designated in the invoice or the delivery contract or has been made freely available to SEALPAC.

5.2. The due dates of payment shall also be observed if transport, delivery, installation, start-up or acceptance of the supplies or services is delayed or prevented due to reasons beyond SEALPAC's reasonable control, or if non-essential parts are missing. Or if post-delivery work which does not prevent the supplies from being used proves to be necessary. The aforementioned events shall not entitle the customer to any reduction in payment.

5.3. The withholding of payments by the customer or the setoff of alleged claims against payments due shall be precluded.

5.4. If the advance payment or the contractually agreed upon securities have not been provided in accordance with the terms of the contract, SEALPAC shall be entitled either to continue or to repudiate the contract and shall, in both cases, be entitled to claim damages.

If the customer, for any reason whatsoever, is in delay with a further payment, or if SEALPAC has reason to believe that it will not receive the payments from the customer in full or on a timely basis due to circumstances which became known after conclusion of the contract, SEALPAC, without being limited in its rights under applicable law, shall be entitled to postpone the further performance of the contract and to retain the supplies ready for dispatch until new terms of payment and delivery have been agreed upon and SEALPAC has received adequate security. If such an agreement cannot be reached within a reasonable period of time, or in case SEALPAC does not receive adequate security, it shall be entitled to repudiate the contract and demand damages.

5.5. If the customer is in delay with any payment, it shall be liable, without reminder, for interest with effect as from the agreed date on which payment was due at a rate depending on the interest rates prevailing at the customer's domicile, but not less than 2% above LIBOR. The right to claim further damages is reserved.

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6. Reservation of Title

6.1. SEALPAC shall remain the owner of all supplies until it has received the agreed upon payments in full.

6.2. The customer shall cooperate in any measures necessary for the protection of SEALPAC's title; SEALPAC is authorized to take all measures necessary to protect its title, at the customer's cost, including, in particular, entering or notifying the reservation of title in the required form in public registers, books or similar records, all in accordance with the relevant national laws, and fulfilling all corresponding formalities.

6.3. The customer shall take all measures to ensure that SEALPAC's title is in no way prejudiced - in particular, in case of seizures or the like, the customer shall assert the title of SEALPAC, notify SEALPAC immediately in the quickest possible manner and make available to it copies of all records and documents with respect to such seizure.

7. Delivery Term

7.1. The delivery term shall start as soon as the contract has been entered into, all official formalities, such as but not limited to, import, export, transit and payment permits have been obtained, the payments due with the order have been made, any agreed upon security has been provided and all technical issues have been clarified. The delivery period shall be deemed to be observed if, prior to its expiry, the notice to the customer informing that the supplies are ready for dispatch has been sent.

7.2. Compliance with the delivery period is conditional upon the customer's compliance with the contractual obligations.

7.3. The delivery period shall be reasonably extended if

(a) SEALPAC does not receive on a timely basis the information required to perform the contract, or if the customer subsequently modifies such information, thereby causing a delay in the supplies or services; or,
(b) hindrances occur which SEALPAC cannot reasonably prevent, despite use of the required due care, regardless of whether they affect SEALPAC, the customer or a third party. Such hindrances include but are not limited to:

- epidemics; mobilization; war; civil commotion; factory breakdowns;
- late or defective delivery of the necessary raw materials, semi-finished products or finished products; accidents; labour disputes; official actions or omissions by governmental or public authorities; natural disasters; and, in general, Force Majeure; or,

(c) the customer or a third party is behind schedule with work it has to execute, or with the performance of its contractual obligations, including, in particular, if the customer fails to observe the terms of payment.

7.4. If delivery is delayed or prevented at the request of the customer or due to events which are not attributable to SEALPAC, the customer shall be charged for the costs of storage beginning one month after notice has been given that the supplies are ready for dispatch. In the case of storage at SEALPAC FACTORY, however, at least 1% of the invoice amount for each month shall be charged. The storage shall take place at the risk of the customer. If SEALPAC sets a reasonable deadline and the deadline expires without being used, however, or if the customer is not prepared to accept the supplies, SEALPAC shall be entitled to dispose otherwise of the supplies and deliver supplies to the customer pursuant to a reasonable new delivery period.

7.5. If the customer has incurred damages resulting from delays which are the fault of SEALPAC, he may claim for these damages. The compensation will be ½ % for each full week of delay, but maximum 5% of the value of the delivery that was not delivered properly and punctually.

7.6. If a delivery date is agreed upon in lieu of a delivery period, such delivery date is the last day of the delivery period. Clauses 7.1 to 7.4 will apply.

8. Packing

Packing shall be charged for separately by SEALPAC and shall not be returnable.

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9. Shipment, Transport and Insurance

9.1. The transport shall take place on the account and at the risk of the customer. SEALPAC shall be notified on a timely basis as to special requirements regarding shipment, transport and insurance.

The customer shall submit objections regarding the shipment or transport to the last carrier immediately upon receipt of the supplies or the shipping documents.

9.2. The customer shall be responsible for insuring against damages in transport of any kind, The insurance will be on the account and at the risk of the customer even if, based on a special agreement, the insurance is to be effected by SEALPAC.

10. Inspection and Acceptance of the Supplies and Services

10.1. The supplies and services will be inspected at SEALPAC FACTORY prior to shipment. Any further testing requested by the customer must be specially agreed.

10.2. Any acceptance tests requested by the customer must be agreed upon in writing. If the acceptance tests cannot be carried out within the agreed period due to reasons beyond SEALPAC's reasonable control, the characteristics and levels of performance to be established by these tests shall be deemed to exist.

10.3. The customer shall inspect the supplies and services within a reasonable period and immediately notify SEALPAC in writing in case of any deficiencies. Should the customer fail to do so, the supplies and services shall be deemed to have been accepted.

11. Passing of Risk

11.1. The risk in the supplies shall pass to the customer upon dispatch from SEALPAC FACTORY.

11.2. If dispatch is delayed at the request of the customer or due to reasons beyond SEALPAC's reasonable control, the risk shall pass to the customer at the time originally foreseen for the dispatch of the supplies ex works. From this moment on, the supplies shall be stored and insured on the account and at the risk of the customer.

12. Warranty and Liability for Defects

12.1. The warranty period shall be 12 months from the delivery ex works SEALPAC FACTORY, but no longer than 15 months from readiness for dispatch if delivery is delayed due to reasons beyond SEALPAC's reasonable control.

The warranty shall expire prematurely if the customer or a third party undertakes inappropriate modifications or repairs or if the customer, in the case of a defect, neither does not immediately take all appropriate steps to mitigate the damages nor gives SEALPAC the opportunity to remedy such defects.

12.2. Upon written request of the customer, SEALPAC will take all necessary measures, at its option, to repair or replace as quickly as possible any parts of the supplies which, before the expiry of the warranty period, are proven to be defective or unusable due to bad material, faulty design or poor workmanship. Replaced parts shall become the property of SEALPAC.

12.3. Any express warranty as to performance and/or use characteristics given by SEALPAC shall be legally binding only if agreed in writing, and if installation is carried out by SEALPAC or takes place under SEALPAC's supervision. Such warranties shall be subject to a reasonable tolerance.

12.4. Excluded from warranty and liability for defects of SEALPAC are all deficiencies which cannot be proven to have resulted from bad material, faulty design or poor workmanship, e.g., those resulting from normal wear and tear, improper maintenance, failure to observe the operating instructions, excessive use, use of unsuitable consumables, chemical or electrolytic influences, construction or installation work not undertaken by SEALPAC, or resulting from other circumstances beyond SEALPAC's reasonable control.

12.5. With respect to supplies and services provided by subcontractors requested by the customer, SEALPAC assumes warranty and liability for defects only to the extent of such subcontractors' warranty and liability obligations in relation to SEALPAC.

12.6. Any warranties set forth herein are exclusive and in lieu of any other express, implied, oral or written warranty statements.

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13. Exclusion of Further Liability on the Part of SEALPAC

All cases of breach of contract and the legal consequences thereof and all claims of the customer, regardless of the legal ground on which they are based, shall be governed exclusively by these GENERAL CONDITIONS. In particular, any claim for damages, reduction in price, or revocation or cancellation of the contract which is not expressly mentioned herein shall be precluded. In no event shall SEALPAC be liable for indirect or consequential loss, such as but not limited to loss of products, production, use, orders, profit or assets.

14. Right of Recourse for SEALPAC

SEALPAC shall have a right of recourse against the customer if personal injury or damage to the property of third parties result due to actions or omissions on the part of the customer or persons employed or appointed by the customer to perform any of the customer's obligations and a claim is made against SEALPAC based on this ground.

15. Intellectual and Industrial Property Rights

15.1. Unless agreed otherwise, SEALPAC explicitly reserves all rights which it has in relation to intellectual and industrial property rights in respect of products it has supplied. In particular SEALPAC will reserve the rights to the copyright for the designs, illustrations, diagrams, drawings, sketches, offers and other documents supplied by her. These documents remain the property of SEALPAC and may not be copied or used in any other way without the written consent of SEALPAC.

15.2. Results which have been obtained through modifications, which were suggested by SEALPAC or developed by both parties together, may only be passed on to third parties or used by the customer after written approval by SEALPAC.

15.3. The customer is not permitted to alter the products delivered wholly or in part or to give the products other brand names.

16. Disputes

In the event of any dispute arising out of or in connection with contracts closed, the parties agree to submit the matter to settlement proceedings under the ICC ADR Rules. If the dispute has not been settled within 45 days following the filing of a Request of ADR or within such other period as the parties may agree in writing, the parties will have recourse to the means of resolution of disputes set out in Article 17 hereunder.

17. Arbitration

All disputes arising out of or in connection with contracts closed shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The number of arbitrators and the place of arbitration will be determined by the Supplier.

18. Applicable law

18.1. Any questions relating to contracts which are not expressly or implicitly settled by the provisions contained in the contracts shall be governed, in the following order:

- (a) by the principles of law generally recognized in international trade as applicable to international distributorship contracts,
 - (b) by the relevant trade usages, and
 - (c) by the UNIDROIT Principles of International Commercial Contracts, with the exclusion of national laws.
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18.2. Unless otherwise agreed in writing, sales contracts concluded between the Supplier and the customer within this agreement will be governed by the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention of 1980, hereafter referred to as CISG), and to the extent that such questions are not covered by CISG, by reference to the rules and principles of law generally recognized in international trade as applicable to international contracts of sale.

18.3. In any event consideration shall be given to mandatory provisions of the law of the country where the Distributor/ customer is established which would be applicable even if the contract is governed by a foreign law. Any such provisions will be taken into account to the extent that they embody principles which are universally recognized and provided their application appears reasonable in the context of international trade.

18.4. Concerning the interpretation of international commercial terms, the "Incoterms 2020" as compiled by the International Chamber of Commerce in Paris (I.C.C.), are applicable.

19. Policy towards criminal activities and International sanctions

19.1. The customer accepts that, under the laws against Money Laundering and Terrorist Financing, SEALPAC is obliged to follow a zero tolerance policy against all forms of corruption, money laundering, financing of terrorism and breach of international sanctions that could be related to our business activities.

19.2. The customer accepts that SEALPAC accepts this policy and will do what is legally obliged to support this policy.

19.3. The customer accepts that SEALPAC accepts this policy and that it expects the same from its employees and business partners.
