

GENERAL TERMS AND CONDITIONS OF CONTRACT OF TECHNOFLEX VERPACKUNGEN GMBH

Valid from March 2021

TABLE OF CONTENTS

1	Scope/Field of application	2
2	Quotations, written form	2
3	Prices	3
4	Delivery, Place of Performance and Transfer of Risk	4
5	Quality Complaint, Guarantee, Damage Payment, Product Liability	6
6	Terms of Payment	7
7	Reservation of Title	8
8	Confidentiality	9
9	Competent Court and Choice of Law	10
10	Import Taxes and Import Customs	10
11	Final Provisions	11

1 Scope/Field of application

- 1.1 The following General Terms and Conditions of Contract (in short: GTC) shall exclusively apply to all supply and other service contracts made between TECHNOFLEX Verpackungen GmbH, Gewerbepark Ader 6, 4850 Timelkam and its related companies, in particular a TECHNOFLEX Hungary Kft., Vándor Sándor út 7. HU-9400 Sopron (in short: "TECHNOFLEX", "we" or "us") and the buyer as well as its related companies (in short: "buyer"). The current general terms and conditions of trade and purchase of the buyers and the suppliers shall be definitely excluded, if they deviate from these GTC.
- 1.2 The buyer's purchase order shall be considered as an acceptance of these General Terms and Conditions of Terms, unless previously otherwise agreed upon these General Terms and Conditions of Contract (perhaps with reference to it in the contract etc.)
- 1.3 These GTC shall apply to all trade events, even if they were made without making reference to these GTC. The seller reserves the right to amend or supplement these GTC. The currently valid version of the GTC shall be considered as accepted, which is indicated on <https://technoflex.biz/general-terms/?lang=en> website of the seller.

2 Quotations, written form

- 2.1 Quotations, purchase orders, side agreements, subsequent amendments and explanations in any form shall be valid for the seller only in a written form. The same shall apply to the cancellation of this formal requirement. E-mails shall also meet the requirement for a written form.
- 2.2 None of the quotations of the seller shall be binding. Sending our price-list shall not be considered as a quotation. Any request related to general quotations, circulars or price-lists shall not bind us to deliver.
- 2.3 The contract shall be made when the seller's written confirmation of the purchase order (via e-mails or mails) is sent by the authorised representative of the seller. The terms and conditions designated in the confirmation of the purchase order shall be considered as the terms and conditions agreed upon by the parties.
- 2.4 Contracts signed by our customer visiting colleagues and agreements made via phone shall be subject to our written confirmation for them to be legally effective, and the same applies to any subsequent modification or cancellation of the orders.

3 Prices

- 3.1 Delivery and invoicing shall be made at prices and under terms and conditions indicated in the quotation and the confirmation of the purchase order. All prices shall exclude VAT, and shall be meant in EUR, unless otherwise agreed in exceptional cases.**
- 3.2 Unless definitely otherwise agreed in writing, our delivery shall be made basically from the factory, with packaging, excluding the delivery costs, taxes (in particular, customs) and expenses. If the consumer delivers the goods, then no freight fee shall be charged. Forwarding of the goods as a parcel or with more expensive delivery methods (e.g. express delivery) shall be made at the buyer's expenses. A single or several free home deliveries shall not constitute a permanent right to this allowance.**
- 3.3 TECHNOFLEX shall package the goods in one-way cartons. Other packaging methods shall be also allowed at a special request or on the basis of an agreement, however, the extra costs shall be borne by the buyer.**
- 3.4 If the price of the raw material, energy, freight or any other direct costs (in particular, in connection with Force Majeure events designated in Section 4.5) increase by more than 10% after signing the contract but before delivery, the seller shall be entitled to increase the price by the rate of the change of the relevant cost factor, and to invoice it to the buyer, and the buyer shall pay the changed price.**

4 Delivery, Place of Performance and Transfer of Risk

- 4.1 Delivery dates indicated in the confirmations of purchase order and other mails, expected and non-binding deadlines, unless otherwise agree.
- 4.2 Partial consignments shall be allowed
- 4.3 The place of performance shall depend on the TECHNOFLEX company with which the buyer places the order. For TECHNOFLEX Verpackungen GmbH, Austria, the place of performance shall be the production plant of the seller at: Gewerbepark Ader 6, 4850 Timelkam. For TECHNOFLEX Hungary Kft., the place of performance shall be the production plant of the seller at: Vándor Sándor út 7. HU-9400 Sopron. The damage risk shall be transferred to the buyer, when the goods are handed over to the forwarding or freight company.
- 4.4 If the delivery delays due to a Force Majeure event affecting the seller or its supplier or subcontractor, or other extraordinary circumstances not attributable to the seller occur, which cause significant disorders, or make the seller unable to send the goods, or under which the seller cannot be expected to do so, then the delivery date shall be extended accordingly, at least by the time during which the above events persist.
- 4.5 Force Majeure events shall include, among others, in accordance with Section 4.4:
- a) Interventions or provisions made by authorities, closed borders, any type of labour dispute, difficulties in organisation of freights, export embargoes or other circumstances affecting the seller's operation; or
 - b) Forces of nature, war events, riots/revolution, terrorism, sabotage, arson, fire, natural disasters, epidemics and pandemics (including the corona pandemic), obstacles to the acquisition of the necessary official permits; or
 - c) Delayed delivery by the subcontractors of the seller or delivery disorders, in particular as a result of the above mentioned Force Majeure events or energy crises or basic material supply crises, or if the purchase of the basic material could be implemented only under economically unacceptable terms as regards the price and/or quantity, and it was not foreseeable for the seller at the time of contracting, and any other cause not attributable to the seller.
- 4.6 If the delay caused by the Force Majeure event persists for more than two months, both parties shall be entitled to terminate the contract in writing, however, the buyer shall observe a 14 day period of grace in this case.

- 4.7 If the buyer does not take over the goods in accordance with the agreements (with special regard to purchases made on FOB term), the seller shall be entitled to store the goods at the buyer's risk and expenses, and to invoice it to the buyer as if the goods have been delivered. The monthly storage cost shall be € 24.90 per pallet. In this case, the purchase price shall be due with an immediate effect.**
- 4.8 Compensations for delays or damage claims due to non-performance against the seller shall be excluded, unless they are attributable to intentional or gross negligence. Any damage claim against the seller shall be excluded in the case of a Force Majeure event specified in Section 4.5.**

5 Quality Complaint, Guarantee, Damage Payment, Product Liability

- 5.1 The seller shall guarantee only such properties of the goods covered by the contract, which have been definitely approved in writing, specified in a written form at contracting or definitely indicated on a technical data-sheet. The seller's guarantee shall not cover any deficiency due to improper handling, everyday wear and tear, storage or other procedures or failures by the buyer or a third party. The seller's guarantee shall not cover any use or usability of the goods covered by the contract, which has not been definitely agreed in writing in advance. Before any further processing, the buyer shall examine the suitability of the goods.**
- 5.2 The buyer shall immediately examine the goods on arrival at the destination. Any claims (in particular, due to deviations from the confirmation of the purchase order, deficiencies and damages caused by the transportation) shall be submitted to the seller in writing immediately on finding the defect, or within 8 days from the receipt of the goods in the case of open defects, in the case of loss of other civil rights. The report of the deficiency of the goods shall include the designation of the goods, the individually detailed defects, and documents and materials serving as useful evidences shall be provided to the seller. Hidden defects shall be reported in writing to the seller immediately on finding them, within three months from the receipt of the goods at the destination agreed upon with the seller, in the case of loss of other civil rights.**
- 5.3 The guarantee period shall be three months (from receipt of the goods). If the defect is reported in due time, and it is recognised by the seller, the seller shall repair or replace the faulty goods at its discretion. Price reduction or cancellation (of the contract) shall be excluded.**
- 5.4 The return of the goods shall be subject to the consent of the seller, which shall be obtained before the return of the goods, and the goods shall be delivered to the door.**
- 5.5 Liability for damages resulting from negligence shall be excluded. This shall apply, in particular, to damages deriving from improper or delayed delivery of the goods, including indirect damages or damages suffered by the buyer due to lack of advice or incorrect advice. Any loss suffered by the buyer shall not be compensated. Anyway, the buyer's claims shall be limited to the invoice value of the goods delivered with deficiencies or improperly.**
- 5.6 Exclusion of liability shall not apply to claims deriving from the product liability law and to personal damages, unless the liability can be excluded or limited.**
- 5.7 The buyer shall have the burden of evidencing gross or intentional negligence.**

- 5.8 The warranty and liability limitations included in these GTC shall be fully transferred to the additional buyers, on term that they shall also transfer them to their own buyers.**

6 Terms of Payment

- 6.1 The sums of the invoices shall be paid without any deductions by the dates confirmed and indicated in the contract, but within 30 days at the latest.**
- 6.2 No interest shall be paid on advance or partial payment.**
- 6.3 If the total amount of the invoice is paid with a delay, or the financial situation of the buyer deteriorates, which becomes known to seller after signing the contract, all invoices shall become due with an immediate effect. In such cases, the seller shall be entitled to cancel contracts related to purchase orders not yet performed, with an immediate effect, and to claim damages, or to decide on the processing of further purchase orders in view of whether the buyer fully pays all open invoices and fully pays the value of non-delivered goods in advance.**
- 6.4 In case of default payment, the prime interest rate of the OeNB (National Bank of Austria) plus a statutory default interest of 9.2% shall be paid on additional claims. In addition, the costs of order for payment, collection and judicial collection (including the lawyer's fees) shall be paid.**
- 6.5 Only payments effected at the payment address given on the invoice shall be recognised. In the case of bank transfers, payment shall be accepted as effected only if it is irrevocably credited on the seller's invoice. Drafts, cheques and orders for payment shall be recognised only for payment purposes and under a separate agreement.**
- 6.6 Transfer of buyer's claims shall be accepted only with the written consent of the seller.**
- 6.7 The buyer shall not be entitled to charge any counterclaim to the seller or to retain payments with reference to defects.**

7 Reservation of Title

- 7.1 The title to the delivered goods shall be kept by the seller until the buyer fully performs all of its obligations deriving from the business relationship. In the case of payment with a draft or cheque, the title of the seller shall be terminated only if the seller has cashed the draft or cheque. Reservation of the title secures the seller's damage claim based on the draft or cheque law against the buyer.**
- 7.2 The buyer shall be entitled to resell or process the goods in its regular business, while the title is reserved, unless it delays any payment. In the case of reselling with a payment day, reselling shall be made with reservation of the title.**
- 7.3 The buyer shall fully waive already now any claims deriving from reselling, claims related to the agreed reservation of title and deriving from the retroactive settlement of accounts of such reselling and claims raised in connection with the reserved products under any title (e.g. insurance payments, enrichment claims, claims from non-contractual legal relationships) (including all credited amounts on current accounts and claims from third parties) to the benefit of the seller for safety reasons. This waiver shall be clearly indicated in the buyer's business books.**
- 7.4 If the buyer delays any payment against the seller or a third party, or if a bankruptcy or similar procedure is initiated, or if a third party initiates an execution procedure against the buyer or a personally liable company member in relation to the claims transferred or the products reserved on the basis of Section 7.3 or otherwise, the order for collection shall be considered as cancelled, and the entitlement of the buyer to resell or process the reserved product shall be terminated.**
- 7.5 If the reserved product is mixed or processed with other objects, the seller shall be a co-owner of the new product in the ratio of the value of the product supplied by the seller and the new product.**
- 7.6 Processing or conversion of the reserved product by the buyer shall be always considered as intended for the seller. The buyer shall keep the own property or the common property created in this way for the seller.**
- 7.7 Provisions of Section 7 shall apply to the common property of the buyer.**
- 7.8 If the buyer breaches the contract, in particular, if it delays payment, the seller shall be entitled to withdraw the reserved product any time, and to claim withdrawal of the buyer's**

claim against a third party, if applicable, unless they have already waived them in accordance with these GTC.

7.9 In case of overdue payments, the regular bank interests plus the costs shall be charged.

8 Confidentiality

8.1 The buyer shall confidentially handle all special and trade secrets (including the quotations of TECHNOFLEX and price calculations given in them) that have made available or provided by TECHNOFLEX to it, or have become known to it in other contexts or via the business relationship or via its connection with TECHNOFLEX.

8.2 The confidentiality obligation shall survive the business relationship with TECHNOFLEX for 3 years or – irrespective of the business relationship – for 3 years from the inquiry.

8.3 Advertisements and publications made on the business relationship with TECHNOFLEX as well as inclusion of TECHNOFLEX in the supplier's list of references shall be subject to the prior written consent of TECHNOFLEX.

8.4 If the confidentiality obligation is breached, the buyer shall pay an objective penalty in the amount of EUR 30,000 (thirty thousand Euro) per breach or 5% of the transactions made between the buyer and the seller in the last business year, whichever is higher. Reduction of the penalty by the court shall be excluded. The seller shall be entitled to claim other damages.

9 Competent Court and Choice of Law

- 9.1** The buyer shall be entitled to submit a statement of claim against the seller only at a court having jurisdiction over the seller and seated in Wels, Austria. This court shall be competent also in proceedings initiated against the buyer. However, the seller shall be entitled to enforce its claims against the buyer before the locally competent court having jurisdiction over the Hungarian site (TECHNOFLEX Hungary Kft Vándor Sándor út 7. HU-9400 Sopron).
- 9.2** The Austrian substantive law, excluding the conflict of law rule (in particular the International Private Law (IPL), shall apply to these General Terms and Conditions of Contract or any contract that refers to or is based on these General Terms and Conditions of Contract, including its valid creation, breach, termination or invalidity, if the buyer's main site is situated in Austria. If the main site of the buyer is situated outside Austria, then the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall apply. In case of any doubt, the Austrian substantive law shall be always applied.

10 Import Taxes and Import Customs

- 10.1** The buyer and its affiliated companies shall fully and properly issue all potential import tax and import customs declarations on the goods imported by the seller and to submit them to the competent local authority in due time. This shall take place in compliance with the locally valid provisions and legal rules.
- 10.2** The buyer and its affiliated companies shall pay the taxes, customs and duties in due time, together with the currently effective interests and charges to the locally competent tax and customs authority.

11 Final Provisions

- 11.1 Any statements made on behalf of seller shall be considered lawfully binding, if they have been made by the number of authorised persons (managers, company heads, executives) necessary for representation. The sales representatives of the seller are only mediators, and basically they are not entitled to represent the seller in legal transactions (without proper authorisations).**
- 11.2 If any provisions of this General Terms and Conditions of Contract are invalid or unenforceable due to any reason, the validity of the other provisions of the contract shall not be affected.**
- 11.3 If the seller fails to exercise or enforce its rights under these Terms and Conditions of Contract, it does not mean that TECHNOFLEX waves its right to exercise or enforce such rights in the future**