

General Conditions of Sale

Rijssen, September 1st 2020.

NOTE: This document "General Conditions of Sale Verpakingsindustrie Stempher B.V." is an English translation of the official Dutch "Algemene Verkoopvoorwaarden Verpakingsindustrie Stempher B.V.", dated September 1st. 2020. The Verpakingsindustrie Stempher B.V. cannot be held responsible for any errors, misunderstandings and so on, resulting from the English Translation. On request, a copy of the "Algemene Verkoopvoorwaarden Verpakingsindustrie Stempher B.V." will be made available.

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Section 1 General

1.1 These General Conditions of Sale will apply to all agreements concluded between Stempher and the purchaser. These Conditions will also apply to all offers and tenders made by Stempher.

1.2 Conditions which deviate from these General Conditions of Sale, including the purchaser's procurement conditions, will only be binding upon Stempher if they have been signed for approval by Stempher and will only apply to the agreement to which the approval pertains.

1.3 These Conditions supersede all previously filed conditions of sales.

Section 2 Tenders/orders

2.1 All tenders and/or offers will remain valid for a period of fourteen days, unless a different period has been specified in the tender and/or offer, in which case the deviating period will prevail.

2.2 Any verbal agreements and promises made by Stempher's employees will only be binding upon Stempher if they have been confirmed in writing by Stempher.

2.3 The agreement between Stempher and the purchaser will become effective as from the time that the purchaser accepts Stempher's offer or that Stempher commences the execution of the order.

2.4 If the purchaser does not provide precise specifications for the product ordered by him, for example in terms of quantity, quality, appearance and tolerances, the purchaser will bear the risk of the delivery not meeting his expectations, while Stempher cannot be held liable for the delivery not meeting the purchaser's expectations with regard to such properties.

Section 3 Changes in the order

3.1 Changes in the order will only be binding if they have been agreed to in writing.

3.2 Any costs incurred by Stempher prior to a change in the order and any additional expenses caused by a change in the order will be borne by the purchaser.

3.3 If the period of delivery is exceeded due to a change in the order, this will be for the account and risk of the purchaser.

Section 4 Delivery and period of delivery

4.1 All deliveries will be made ex works. In the event of carriage paid deliveries, Stempher will determine the method of shipment. At the request of the purchaser, other methods of shipment will be possible, but any additional costs involved will be borne by the purchaser.

4.2 Stempher will endeavour to meet the period of delivery to the best of its ability. The agreed period of delivery will however not constitute a deadline. If the purchaser wishes to dissolve the agreement due to overdue delivery on the part of Stempher, the purchaser will have to send Stempher a written notice of default and grant Stempher a reasonable term to fulfil its obligations as yet.

4.3 A minor extension of the period of delivery will not entitle the purchaser to any punitive damages or alternative compensation or to a suspension of any of his obligations under the agreement.

4.4 The purchaser will accept the products as soon as they have been offered for delivery by Stempher. If the purchaser fails to do so, Stempher may store the products at the expense and risk of the purchaser. By doing so, Stempher will have fulfilled its obligation to deliver and the purchaser will be required to pay the purchase price no later than at that time. Storage costs will be charged subsequently.

4.5 Products ordered for delivery on call must be accepted within the agreed period of delivery, or, if no such period has been agreed, within three months of the date of the order. If the purchaser's acceptance exceeds the period of delivery, section 4.4 will apply. The purchaser will bear the risk of products put and kept in consignment in this way.

4.6 The provisions laid down in Incoterms at the time that the agreement is concluded will apply, unless otherwise agreed in writing.

Section 5 Prices

5.1 Stempher will be entitled to raise the agreed price after having confirmed the order but before the date of delivery, in the event that one or more of the

constituent elements of the price calculation is modified. In such case, the purchaser will be entitled to dissolve the (not yet executed portion of the) agreement by sending a written notification within five days of receiving the notification of the increased price, without having any right to compensation.

5.2 All prices are quoted excluding costs of prepress, film and printing plates, unless otherwise agreed in writing.

5.3 All prices are quoted in euro's, excluding VAT, unless specified otherwise.

5.4 If the purchaser cancels an accepted order as a whole or in part, he will be required to reimburse Stempher for all expenses incurred and yet to be incurred in relation to the execution of the order (preparation costs, storage, commission etc.) and, if Stempher so wishes, to pay for all materials and semi finished products which have been designated for the execution of the order at the prices used by Stempher in its calculation, without prejudice to Stempher's right to compensation for loss of profit and all other losses and expenses incurred as a result of the cancellation of the accepted order.

Section 6 Payments

6.1 If it comes to Stempher's knowledge, after the conclusion of the agreement, that the purchaser is not creditworthy, Stempher will be entitled to dissolve the agreement. The purchaser will not be entitled to compensation of any loss, incurred or yet to be incurred.

6.3 Payments will be made by transfers to Stempher's bank account, within the period stated on the invoice.

6.4 If the payment has not been made by the due date, the purchaser will be liable to pay interest on the invoiced amount in accordance with the provision of article 6:119a of the Dutch Civil Code

6.5 Any extrajudicial debt collection costs incurred by or charged to Stempher in relation to the collection of the purchaser's debt will be for the account of the purchaser and will amount to at least 10% of the total amount payable by the purchaser, without prejudice to Stempher's right to claim punitive damages.

6.6 Complaints and disputes of whatsoever nature will not entitle the purchaser to set off or suspend his payment obligations vis-à-vis Stempher.commission etc.) and, if Stempher so wishes, to pay for all materials and semi finished products which have been designated for the execution of the order at the prices used by Stempher in its calculation, without prejudice to Stempher's right to compensation for loss of profit and all other losses and expenses incurred as a result of the cancellation of the accepted order.

Section 7 Risk

7.1 Except for the mentioned in sections 4.4 and 4.5, the purchaser will bear the risk of the deliverable product as from the time that the product is dispatched from

Stempher's plant or warehouse. Stempher may take out transport insurance at the purchaser's request and expense.

7.2 By signing the consignment note or the confirmation of receipt, the purchaser acknowledges that the consignment has been received visibly complete and in externally good order.

Section 8 Retention of ownership

8.1 Stempher will retain the ownership of all products it delivers to the purchaser until the purchaser has fulfilled all his outstanding obligations vis-à-vis Stempher in relation to the underlying General Conditions of Sale Verpakingsindustrie Stempher B.V. Page 3 of 5 agreement and/or any similar agreements concluded at any earlier or later date, including all outstanding damages, expenses and interest payments.

8.2 The purchaser will not be entitled to pledge the delivered products or to assign any rights thereto to any third party until the ownership of the delivered products has been transferred to the purchaser. Notwithstanding the above, the purchaser will be entitled to process and/or sell such products in the course of his normal business operations before the ownership of the delivered products has been transferred to him. If the ownership of the products is transferred to any third party or the products are processed on behalf of any third party, the purchaser will be required to pledge all rights of action he has or will have vis-à-vis the third party in this respect to Stempher, at Stempher's first request.

8.3 The purchaser will be required to treat with due care all products which have been delivered to him while the ownership thereof has been retained by Stempher and to insure at his expense such products against loss, theft, damage and breakage.

8.4 If any third party orders the attachment of products which are held by the purchaser while the ownership has been retained by Stempher, the purchaser will be required to inform Stempher of such attachment forthwith.

Section 9 Non-attributable breach of contract (force majeure)

9.1 In no event will Stempher be held liable for any breach of its obligations under the agreement if such breach is not attributable to Stempher's fault, or if Stempher is not liable for such breach by law, under the agreement or by generally accepted practice.

9.2 Non-attributable breach of contract will include the following circumstances: business interruptions, shortage of materials and power, wars, riots, fires, government intervention, strikes, plant occupation, natural disasters, weather conditions and other



circumstances which cause any delay in the production and/or delivery of the products.

9.3 In the event of force majeure on the part of the purchaser, the purchaser will be required to accept the delivery of such part of the order as has already been executed, in accordance with the agreed conditions.

9.4 If the delivery is delayed by more than one month due to force majeure, each of the parties will be entitled to dissolve the agreement as stipulated by law, subject to the exclusion of any further rights, in which case Stempher will not be required to compensate any losses.

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Section 10 Complaints

10.1 All complaints must be accurately specified in writing and must be submitted within one month after receipt of the products. Failure on the part of the purchaser to do so will constitute the purchaser's acceptance of the delivered products or service.

10.2 If the purchaser fails to meet his duty to accept the delivery of the product, the period referred to in subsection 10.1 will commence at the time that the purchaser should have accepted the delivery.

10.3 If the purchaser finds a defect in any portion of the delivered products, the purchaser will not be entitled to reject the entire delivery. During the production of paper and polyethylene packaging in particular, it is technically impossible to avoid a small percentage of the order deviating from the agreed specifications. Complaints regarding such minor deviations will not be accepted.

10.4 Stempher will in all cases be entitled to inspect the nature and the scope of the complaint on site.

10.5 Purchaser will discuss the return shipment of any delivered products with Stempher. If Stempher's inspection of the products reveals that the complaint was unjustified, all costs incurred by Stempher in relation to the return shipment and redelivery of the products will be for the account of the purchaser.

10.6 No complaints will be accepted in relation to products for which the purchaser failed to provide a precise specification, in terms of, among others, the quantity, quality, appearance, and tolerances, at the time of the agreement.

Section 11 Product properties

11.1 Polyethylene packaging and paper packaging are fit for use until six months after their production dates.

11.2 The agreed properties, including tensile strength, seal strength, tear strength, TEA and colour, apply within temperature margins of +5° C and +25° C.

Stempher will not accept any liability for the consequences of processing, storage, and transportation outside the said temperature margins. General Conditions of Sale Verpakkingsindustrie Stempher B.V. Page 4 of 5

11.3 Contact with other products and/or materials and the effect of light may cause the colour of the packaging and/or printing to fade or disappear. This is a normal product property in relation to which Stempher will not accept any complaints.

11.4 No complaints will be accepted in relation to the degree of smoothness or roughness of the products.

Section 12 Deviations

12.1 Complaints regarding minor deviations in, among others, quality, composition, size, colour, weight and printing will not entitle the purchaser to reject the products.

12.2 The composition of the products, as specified in the offers, tenders and agreements, is merely indicative. The composition of the products may vary within the same order and between two separate orders of the same type of packaging; this will not entitle the purchaser to reject the products.

12.3 Stempher will not accept any liability for variations in properties of the delivered products caused by variations in raw materials which have been delivered to Stempher by different suppliers.

12.4 Stempher will endeavour to deliver the ordered quantities as accurately as possible. Stempher has a tolerance of 10% over or under the ordered quantity. For consignments of less than 5,000 pieces (or metres), a deviation of 500 pieces (or metres) over or under the specified quantity is considered acceptable.

12.5 The acceptable deviation for paper sacks is 10% over or under the agreed weight in grams.

12.6 The acceptable deviation above or below the agreed thickness of polyethylene packaging is as follows: - for HDPE up to and including 40 micron: 10 micron, above 40 micron: 25% - for LDPE up to and including 70 micron: 10 micron, above 70 micron: 15%

12.7 The acceptable deviation above or below the agreed sizes is as follows: a. for paper sacks 15 mm in length, 10 mm in width and 15 mm in bottom width b. for polyethylene sacks, tubes, single wound sheeting or sheets: 25 mm in length, 10 mm in width for LDPE and 15 mm for HDPE.

12.8 No rejection will be accepted on the basis of an inspection of several samples only. In order to assess whether Stempher's delivery meets the abovementioned requirements, at least 50% of the delivered products must be available for inspection.

Section 13 Liability

13.1 Stempher's liability for losses incurred by the purchaser will be limited to the amount invoiced for that part of the delivery to which the complaint pertains.

13.2 Stempher's liability will be limited to the loss incurred by the purchaser as a direct and sole consequence of an attributable failure on the part of Stempher.

13.3 Stempher will not accept any liability for losses incurred by the purchaser or any third party due to incorrect storage or the incorrect use and/or application of the delivered products.

13.4 The purchaser will indemnify and reimburse Stempher (including all its employees) for any claims for damages made by third parties vis-à-vis Stempher.

13.5 Stempher will not accept any liability for the effect of its delivered products on the quality of the products packaged therein. Stempher will not accept any liability for any other losses, including commercial losses, consequential losses and indirect losses.

13.6 Stempher will not accept any liability for any damage to or loss of products of the purchaser or any third party, which have been made available to Stempher in connection with the preparation and/or execution of the agreement.

13.7 Any advice given by Stempher with regard to methods of execution, quality, size etc. are provided to the best of its knowledge. The purchaser will not be entitled to make any claim for damages vis-à-vis Stempher in connection with advice given by Stempher.

13.8 Stempher will not accept any liability for the consequences of the use or inability to use the EAN symbol ("bar code") or any other code applied at the request of the purchaser, including an "eye mark", and/or for the consequences of any incorrect reading of such codes by the equipment for which these codes are designed, unless otherwise explicitly agreed in writing.

13.9 Stempher will not accept any liability for any breach of third parties' intellectual property rights in connection with signs of any nature whatsoever which have been applied to the products at the request of the purchaser. The purchaser will indemnify Stempher against all claims made by third parties in relation to any such breach.

Section 14 Failure to perform

14.1 If the purchaser fails to perform his duties under the agreement or in the event of his bankruptcy or

(temporary) suspension of payments, Stempher will be entitled, without any prior notice of default being required, to dissolve the agreement in part or in whole, or to suspend its duties under the agreement, while the purchaser will not be entitled to any compensation.

Section 15 Printers' proofs

15.1 Printers' proofs which have been signed for approval by the purchaser will be binding with respect to the execution of the order; no complaints will be accepted in relation to such proofs.

Section 16 Production materials

16.1 All production materials, including stereotypes, cylinders, data carriers and other graphic materials will remain the property of Stempher, even after they have been paid for. Unless otherwise agreed in writing, the purchaser will not be entitled to demand the surrender of such materials.

16.2 Any production materials held by Stempher as referred to in subsection 16.1 will be guaranteed for a period of twelve months, unless otherwise agreed in writing.

Section 17 Disputes and applicable law

17.1 All agreements between Stempher and the purchaser will be governed by the laws of the Netherlands.

17.2 Disputes between the purchaser and Stempher which cannot be resolved out of court will be brought before the competent court in the District of Almelo.