

GENERAL COMMERCIAL TERMS AND CONDITIONS

ROYALPACK Sp. z o.o.

§ 1. Scope of application

1. General terms and conditions of deliveries (hereinafter referred to as: "GCTC") specify the principle of cooperation between ROYALPACK Sp. z o.o. (hereinafter referred to as "Supplier") and the entity ordering packaging from the Supplier (hereinafter referred to as the "Recipient", referred to jointly as "parties").
2. These GCTC will apply only between the entrepreneurs in compliance with the provisions of art. 431 of the civil code.
3. Application of any templates of agreements other than these GCTC by cooperation between the parties is excluded.

§ 2. Price

1. Prices stated in the offer include the costs of transport of the packaging to the destination agreed upon between the parties.
2. Change of the packaging delivery destination by the Recipient or ordering partial deliveries will result in adjustment of agreed price and requires approval of both Parties.
3. The price agreed upon by the Parties may be subject to renegotiation with occurrence of circumstances resulting in a significant change in the costs of production, particularly regarding: costs of raw materials, power, and labour.

§ 3. Delivery Terms and Conditions

1. The delivery date will be each time specified by the Supplier and confirmed by the Recipient.
2. The Recipient shall have to accept ordered commodities at the agreed date not later than 3 working days as of the date of confirmed readiness by the Supplier. Upon lapse of the aforementioned date, the Supplier may charge costs related to storing the commodities. This condition applies to the Recipient if the offer from the Supplier does not include the option of storing goods at a rate of according to the average market rate (PLN net/pallet/day).
3. It is agreed that persons submitting declarations of will on behalf of the parties, particularly in an Order, may place them on behalf of the parties.
4. Supplier will deliver to the Recipient packaging items in quantities as individually agreed upon between the parties, subject to possible quantity-related differences, according to production tolerance levels:

- a) from 1000 to 3000 pieces +/-20%,
 - b) from 3000 to 5000 pieces +/-15%,
 - c) from 5000 to 10 000 pieces +/-10%,
 - d) from 10 000 pieces +/-5%,
5. Quantity of the packaging on a pallet included in a commercial offer is an approximate value that may change.
 6. The expiration date for a given product batch is 6 months in the case of printing and 12 months in the case of packaging and is counted from the packaging production date, subject to compliance with standard storage conditions in the recipient's warehouses.
 7. There is possibility to store finished products in the Supplier's warehouse according to individual arrangements with the Recipient, which will be subject to a separate quote in the offer. In the case of exceeding the set storage time, the Supplier reserves the right to send the goods to the Recipient or issue an invoice for the outstanding goods, taking into account the cost of additional storage at the rate of according to the average market rate (PLN net / pallet / day).
 8. Standard storage conditions for cardboard packaging: Relative air humidity 30-60%, Temperature 14-30 °C. Protect against getting wet and direct sunlight. Protect against sudden changes in temperature and humidity. Assortment susceptible to damage, be careful when storing and moving.
 9. Deliveries are made in accordance with the general terms of Incoterms 2020, which are specified in the commercial offer.

§ 4. Pallet trading

1. The Supplier operates a multi-variant system of pallet trading.
The Variant System is divided into:
 - a) 1200x800 single-use pallets - non-returnable included in the price of the packaging
 - b) 1200x1000 single-use pallets - non-returnable included in the price of the packaging
 - c) High-quality EURO 1200x800 pallets meeting ECR requirements - reusable - non-returnable included in the price of the packaging or invoiced separately at the current market rate
 - d) Pallets of individual dimensions - disposable - non-returnable included in the price of the packaging
 - e) Returnable pallets for which a register is kept
2. Register of returnable pallets, referred to in point 1 clause e, contains information regarding the quantity, type of pallets and refers to each delivery document.
3. The Supplier presents the current balance of returnable pallets regularly.
4. Returns of pallets will always be agreed by the Supplier with the Recipient.
5. When returning pallets, the Supplier is obliged to provide the Recipient with a warehouse document confirming the quantity and type of returned pallets.
6. The Recipient is obliged to return the pallets in the amount previously received from the Supplier.

7. In the absence of a return of EURO pallets by the date agreed by the parties, the Recipient will be charged the equivalent of not returned pallets at a rate of the average market rate (PLN net / pallet / day).
8. In the case of changing the delivery address, the parties will determine the rules for returning pallets again.

§ 5. Delays in payments

1. The Recipient will be charged with statutory interest for each day of delay in payment.
2. The Supplier may suspend delivery of the orders if the Recipient falls into arrears with timely payment of any of the invoices.

§ 6. Tools and projects

1. Costs of packaging pre-press (plates, polymers and punching dies) will be covered by the Recipient.
2. In the case of wear and tear of the said tools, the Supplier will be authorised to have them disposed of and to produce the tools, again, at their own expense, and the tools will belong to them.
3. If the Recipient does not order a given type of packaging within 18 months as of its last production date, the Supplier will be authorised to dispose of the tools used for production thereof, unless the Recipient applies in writing for the tools needed to make a package before this deadline.
4. Any technical drawings and graphical designs produced by the Supplier constitute their property.

§ 7. Packaging for contact with food

The packaging produced by the Supplier is intended for direct and indirect contact with food. You can order packaging with a special barrier layer that allows contact with food. The Supplier must be notified of the above requirement during submitting the inquiry.

§ 8. Complaints

1. Potential complains will be submitted by the Recipient in writing with specification of the exact cause of the complaint (precise description of the defect with enclosed photographs/models of the packaging) and data enabling identification of a delivery, such as:
 - a) name of the packaging
 - b) goods dispatched note no.
 - c) delivery date

- d) order number
 - e) pallet number/pallet label (pallet label scan).
2. In the case of identification of shortages in terms of quantity, or damages to pallets with commodity that make it difficult or impossible to unload the commodity, the Recipient should report such fact on the day of delivery with an annotation on the delivery note document. Quality complaints regarding mechanical damage to the assortment on a pallet or a damaged wooden pallet should be reported directly upon delivery. In the case of quality non-conformities resulting from the production technology, the complaint should be reported immediately after their discovery, but not later than 7 days from the date of detection and a maximum of 6 months from the date of delivery. In this respect, the Recipient should write a complaint report and submit it via e-mail to the Supplier.
 3. In accordance with the standards in force in the corrugated board packaging industry, a quality tolerance of up to 2% of a defective product in a given production batch is assumed.
 4. Legitimacy of a complaint should be investigated by the Supplier within 14 working days. Within this period, the Recipient should provide access to the packaging in an unchanged condition. Decision regarding resolution of the complaint should be made by the Supplier within 14 days of submission thereof, unless resolution depends on the decision of independent experts.
 5. Packaging produced in compliance with the design and technical terms and conditions for deliveries accepted by the Recipient will not be subject to a complaint.
 6. Should the complaint be recognized as legitimate, Supplier shall have to issue an adjustment invoice for the questioned value of the complaint or deliver packaging free of defects as soon as possible.
 7. The finished product is made in accordance with the requirements set out in the document "Tolerance and quality parameters of finished products" constituting an appendix to the GENERAL COMMERCIAL TERMS AND CONDITIONS ROYALPACK Sp. z o.o.

§ 9. Final provisions

1. Governing law will be the law of Poland.
2. Disputes that may arise referring to GCTC will be subject to jurisdiction of Polish courts and will be resolved by the competent court with jurisdiction over the party filing a petition.
3. If, within the validity term of GCTC, any of the parties have a petition for bankruptcy filed against them, or are declared bankrupt at Creditor's request, or a reorganization procedure is commenced for them, or the party is put into liquidation, such part will be obligated to immediately inform the other party thereof.
4. In the case of discrepancies in the contents of the provisions contained in the contract/offer and these GCTC, the provisions contained in the contract/commercial offer will prevail over the ones included in GCTC.
5. GCTC will apply from August 1, 2022.