

GENERAL SALES CONDITIONS

NIEDERWIESER SPA – DIV. FOOD PACKAGING

1. VALIDITY

- I. The following Terms and Conditions regulate the sale of goods and services by Niederwieser Spa - Food Packaging Division, hereinafter referred to as Vendor, to its customers, hereinafter referred to as Buyers.
- II. Together with the technical specifications of the Product, the Vendor's written acceptance ("Order Confirmation") and the Purchase Agreement, the Terms and Conditions represent a contract governing the supply relationships between the Vendor and the Buyer.
- III. Should any provision of these Terms and Conditions be wholly or partially inapplicable, the validity of the other provisions remains unaffected.
- IV. Any other agreement deferring from these Terms and Conditions must be in writing and agreed between the parties.

2. TERMINATION OF CONTRACT AND WAIVER

- I. The Vendor has the right to suspend and / or terminate the contract with immediate effect and on its own non-appealable discretion by means of a simple written notification to the Buyer, if the Buyer does not meet the payment off the sales price and / or deposit / prepayment / security deposit regularly, or if he is subject to insolvency proceedings or if his assets change in such a way as to jeopardize the settlement of the trade-off (e.g. check or bill protests, unpaid bank receipts, lack of available funds in bank accounts, dunning letters, confiscation, etc.).
- II. If the buyer forfeits the contract, even if it does so within 24 hours of signing, or refuses to accept the goods sold to him, he is obliged to pay the Vendor a compensation amounting to 40% of the agreed price (§ 1382 of the Civil Code). As far as possible, the corresponding amount will be covered by any deposit. The difference in favour or at the expense of the Buyer is due immediately.

3. TERMS OF DELIVERY

- I. The terms of delivery represent only a guideline; in particular the Vendor is exempted from the delivery obligation if force majeure, various kinds of pandemics or other events prevent the production or delivery, e.g. lack / insufficient availability of raw materials, import

difficulties, strikes, wars, riots, extraordinary natural events. Therefore the Vendor accepts any order without obligation to delivery and without any responsibility for it.

- II. In the lack of specific instructions from the Buyer, the Vendor is entitled to determine the type of delivery and means of transport.
- III. If the loading or transport of the goods is delayed for reasons dependent on the Buyer, the Vendor is entitled to store the goods at his own discretion, reserving the right to charge the storage costs and to invoice the delivered goods. The same applies to goods that have been reported ready for shipment and whose delivery is not claimed by the buyer within four days.

4. GUARANTEE

- I. The guarantee of the products expires if one of the conditions mentioned in the previous paragraph has been proven. Without prejudice to the cases mandatorily foreseen by law, the Vendor is not liable for damages caused by defects of his products and in any case for further damages that arise for example and not limited to, from the failure or reduced industrial production, indirect damages and consequential damages as well the termination of the contract.
- II. Under penalty of forfeiture, the guarantee is subject to the written complaint of the defect / lack of quality of the products, which is communicated to the Vendor within 8 days after the date of discovery by the Buyer and the expressed enforcement of the guarantee. In any case, hidden defects must be reported to the Vendor no later than one year after the date of shipment.

a. Storage conditions

As a guide, below are the conditions for proper storage of the products supplied by the Vendor:

- Humidity:
 - as much as possible constant
 - between 50% and 75%
 - max. 50% storing material with anti-fogging properties
- Temperature:
 - General material:*
 - as much as possible constant (excursion $\pm 5^{\circ}\text{C}$);
 - between $+15^{\circ}\text{C}$ and $+25^{\circ}\text{C}$.

Peelable material:

- as much as possible constant (excursion von $\pm 5^{\circ}\text{C}$);
- between $+10^{\circ}\text{C}$ and $+20^{\circ}\text{C}$.

Material with the following characteristics or for the following applications are guaranteed for six months from the date of the first shipment:

- material with anti-fogging properties
- slippery material to be processed on flow pack-machines.

b. Packaging

- I. Roll goods must be stored on pallets, protected from dust and direct sunlight; If the rolls are partially used, it is advisable to roll them up with the PE foil provided by the Vendor to keep them protected until the next use.
- II. Material sold as pouches are packed and delivered in cardboard boxes of appropriate size; It is advisable to close the boxes containing pouches that are not used immediately to protect them. Some sizes are sold in plastic film packaging.
- III. In general, the non-compliance with the conditions specified above may cause an alteration of the technical properties of the plastic materials or, in the case of printed films / pouches, a change in colour. Failure to comply with or change of the said storage conditions will result in loss of warranty.

c. Labelling

- I. All parcels on the pallet are marked with a special label with the data that ensure traceability.
- II. The maintenance of the traceability data after the shipment of the goods is the responsibility of the Buyer, who must keep them and make them available when needed.

5. PROPERTY LAW – CONFIDENTIALITY OBLIGATION

- I. Any commercial or intellectual property rights regarding the products remain exclusive property of the Vendor, regardless of any existing complaints and until their removal, and may not be used or transferred to third parties without the written consent of the Vendor.
- II. Layouts, drawings, assembly instructions, clichés, etc. are the exclusive property of the Vendor, regardless of the Buyer's involvement in the production costs or copyright claims that the Buyer may express.
- III. The Buyer is obliged to keep all information and technical documents received from the Vendor and in any case in execution of the contract confidential, failing which it can face

penalties, commensurate to the damage suffered. The Buyer has to meet this obligation for a period of three years from the last delivery to the Buyer.

6. PRICES AND CONDITIONS OF PAYMENT

- I. The Vendor applies the prices valid at the time of delivery of the goods and specified the internal price list, which is available to the Buyer at any time. Unless otherwise agreed, prices are always quoted in Euro and are always intended for goods delivered free carrier at our premises. They include normal packaging and sales tax applicable on the day of delivery, except where expressly indicated, that is agreed free delivery without insurance.
- II. In the event that exchange rate changes occur between the time of the order of the imported goods until delivery, the Vendor is entitled to adjust the selling price to the same extent. Likewise, in the event of late payment, a price adjustment is possible. The prices stated in the order proposal and in the order confirmation apply to the goods in stock at the Vendor's warehouse. For articles to be ordered, they are guiding prices.
- III. Transport risks are borne by the Buyer, even if the goods are delivered at carriage paid term. The Vendor reserves the right to change the prices stated in the order confirmation in case of price increases of his suppliers to the extent of the price increases. The calculation is based on the list prices of the day on which the payment is due.
- IV. In the event of late payment, interest of 8% above the current discount rate of the Italian Central Bank will be charged.
- V. The Buyer shall pay the price for the Products according to the terms of the invoice or order confirmation transferring the amount to the bank account specified by the Vendor on a case-by-case basis, in cash and without deductions at the Vendor's registered office in St. Giacomo / Laives (BZ).
- VI. Different payment terms or conditions must be stated on the invoice and / or on the order confirmation in order to be valid.
- VII. Payments made in other ways or to persons without written authorization to collect, do not exempt the Buyer from the obligation to pay, because he is in any case obliged to verify the collection authority. Any payment discount expires if the payment does not meet the agreed deadlines; a tolerance of 5 days is allowed. The interest rate agreed in the terms and conditions for deferred payments shall be adjusted to reflect the eventual increase in the interest rate on quarterly interbank deposits.
- VIII. Eight days after the payment deadline expiry, the Vendor has the right to issue a bank receipt.

- IX. If a payment by instalments is agreed, in the event of late payment of even one single instalment, the right to any discounts or benefits expires and the Vendor is entitled to demand the immediate payment of the entire amount.
- X. In the event of a change in the asset position or financial condition of the Buyer, the Vendor reserves the right on his unimpeachable discretion, to stop deliveries or to demand reasonable security deposits.
- XI. Securities issued by the Buyer are considered instalments and can never be a novation. Payments may not be suspended for any reason. In the case of complaints, the clause "solve et repete" expressly accepted by the Buyer applies. If the Buyer does not pay one or more instalments or if he does not meet his obligations even partially, the Vendor is entitled:
- to consider the contract terminated "ipso jure";
 - to demand immediate payment of the sold goods and
 - to demand the immediate settlement of all outstanding invoices for delivered goods.

7. RETENTION CLAUSE- NON-PAYMENT

- I. The goods are expressly sold with retention of title in favour of the Vendor (§ 1523 - 1526 of the Civil Code). The sold goods therefore remain the property of the Vendor until full payment of the agreed price and all additional costs.
- II. The Vendor is allowed to record the sold goods at the expense of the Buyer in the respective register at the competent state court. The contracting parties agree that non-payment or late payment even of a single instalment, confiscation or forfeiture of the goods at a location other than the one where the goods were delivered and non-fulfilment of even part of the agreements is considered as "facts of non-marginal importance" according to § 1455 of the Civil Code.
- III. In the event the Buyer does not comply with the terms and conditions of the contract, the Vendor is entitled to demand the immediate payment of outstanding amounts or the forfeiture of the instalments already paid and the judicial seizure of the goods wherever they are located. The claims from § 1526 of the Civil Code remain unaffected. The Buyer is only a depositary of the goods sold under retention of title: consequently there it is prohibited to sell, lend or pledge the goods or to use them as a guarantee against third parties.
- IV. Before confiscation or forfeiture, the buyer is obliged to inform the bailiff about the title reservation clause and to notify the Vendor within 24 hours. The buyer is not entitled to relocate the goods to another location.

8. PRODUCT QUALITY AND TOLERANCE

- I. The specification of the performance and quality parameters of the offered goods is made in accordance with DIN, ASTM or ISO (without prejudice to other methods agreed upon) with appropriate tolerances. If the delivered goods do not meet the specifications exactly, but the divergence remains within the tolerances, a responsibility of the Vendor is excluded in either case.
- II. A tolerance of +/- 20% resulting from the processing properties of the individual materials is applied for the confirmed quantity of printed, personalized or non-standard products if it is less than 5000 square meters; the same products are applied with a tolerance of +/- 10% if the quantity exceeds 5000 square meters. For certain processes or particularly complex products, we reserve the right to increase the tolerance limit of the delivered quantity to +/- 20%.
- III. In case of production peaks or for force majeure, the Vendor exercises the right to entrust part of the work to external specialized companies, previously selected and managed according to the quality and hygiene systems of the Vendor.

Specific tolerances for these machinings:

Pouches (flat, embossed, square shaped and side gusset)

- ± 10 mm for external nominal dimensions
- ± 4.5 mm for welding dimensions
- Between 3 and 10 mm “Snip” dimensions
- Maximum 5 mm opening offset
- ± 2 mm EF centering

Printed pouches

- Misalignment: maximum 3 mm
- Print and window centering: ± 10 mm both longitudinal and transversal compared to approved PDF.

Reels

- Nominal dimensions:
 - Width:
 - Combiflex, Combifresh: -0 / +2 mm
 - Amilen: ± 1 mm.
 - Outer diameter: max + 10 mm
 - Length: ± 2 %

- Print and window centering: ± 3 mm both longitudinal and transversal compared to approved PDF.

The tolerance of the declared nominal thickness (expressed in μm) is: ± 10 %.

The tolerance of weight per declared nominal area (expressed in g/m^2) is: ± 10 %.

For printed products, a Pantone colour shade difference of $\Delta E \leq 3$ is guaranteed, measured in accordance with the industry standard for color measurement, from the reference sample (previously delivered or approved at the time of printing start-up) or the Pantone chromatic coordinates. In any case, the measurement is carried out on the printed film before any lamination with other material, if required.

9. SAMPLE AND INDUSTRIAL TESTS

- I. To validate the material offered, on request the Vendor may provide the Buyer with the requested product in the necessary quantity (generally 100 meters for the rolls and at least 10 pieces for pouches).
- II. After the first validation, the Buyer and the Vendor can agree on a test that requires the use of a larger and significant amount of material; the Vendor has the right to choose delivery methods on a case-by-case basis.

10. RETURN AND COMPLAINTS

- I. Complaints are evaluated by the Vendor after the Buyer has submitted the material that proves the defects. Even if the complaint is accepted, the liability of the Vendor is limited to the value of the delivered goods. Any further compensation, for whatever reason, is excluded.
- II. Any necessary return of goods must be approved by the Vendor. The Vendor accepts them only if they are delivered carriage paid and on condition that:
 - a. the traceability of the data is guaranteed
 - b. it can be verified whether the complaint is justified
 - c. the goods are available for a possible inspection by the Vendor before they are accepted.
- III. The vendor accepts no complaints and is not liable for any damage caused by:
 - a. negligence, inexperience in handling, malevolence;
 - b. improper storage or use by the Buyer that does not comply with the technical specifications or this document;
 - c. changes of the goods;
 - d. goods whose last delivery dates back more than 12 months;

- e. apparently damaged goods whose conditional acceptance has not been recorded on the delivery documents (delivery note or shipping list);
- f. validation by the Buyer that did not take into account the adverse conditions of use in comparison with the technical specifications of the product.

II. LEGAL DISPUTES – GOVERNING LAW

- I. For any disputes the competent court of law is BOLZANO. The contract is governed exclusively by Italian law, including the Vienna Convention of 1980 on Contracts for the International Sale of Goods.

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