

# **General terms of business**

## **§ 1 Validity and conditions**

1. The company ENOL Folien GmbH is carrying out deliveries, performances and offers only on base of these terms of business. They will also be valid for further business relationship even if they are not agreed again particularly.
2. General business terms of the client or third persons, which disagree from these general terms of business or special agreements, are not obliging for the company ENOL Folien GmbH, even if the client refers to them and the seller did not contradict particularly.

## **§ 2 Conclusion of a contract**

1. Offers which are part of prospects or advertisements, even referring the prices, are subject to alternation and not binding. Offers submitted to the buyer are always subject to change and non-binding. The price validity is specified in the offer.
2. If the client declares withdrawal from the contract before the production is started, the company ENOL Folien GmbH is justified to demand 20% of the order value as a cancellation fee instead of claim of fulfilment. In case of a damage higher than 10% of the order amount, ENOL Folien GmbH is justified to invoice the complete arised raw material costs and labour costs as cancellation fee towards the customer.
3. Orders must be confirmed in written form by the company ENOL Folien GmbH so that they are legally binding. With the written order confirmation the placed order becomes final.
4. Any agreements must be carried out in written form which are taken between the company ENOL Folien GmbH and the client for the purpose of carrying out this contract.

## **§ 3 Prices, Changes of prices**

1. Prices do not include the legal sales tax.
2. Prices include packaging, and are on the basis of the defined or agreed delivery conditions. Plate costs/cliché costs will be billed separately and proportionally.
3. The contractual prices are valid for deliveries within the agreed delivery period. This also applies to orders on call off basis with deliveries within the agreed period. In case of further orders the seller is not bound to previous prices.
4. The company ENOL Folien GmbH reserves the right to increase the agreed prices by the proportional additional expenditure of the production costs in case of every changes of the general economic conditions, especially in cases of price increases for raw material, taxes, transport costs as well as changes of valuta.

## **§ 4 Delivery period**

1. Delivery dates or period, which can be agreed binding or not, must be carried out in written form.
2. In case of delivery delay on the side of ENOL Folien GmbH, the period of extension is fixed on max. 4 weeks, which must be legally put through the client and which will start when ENOL Folien GmbH receives this putting of period of extension.

3. In case of orders with new or changed prints the final delivery date depends decisively on the date of the customer's confirmation of the print data prepared for printing and transmitted by ENOL Folien GmbH. The confirmation of the print data has to be made in written form by the buyer.
4. Orders with delivery on call have to be called off within the agreed period. After expiry of this period, quantities not yet called off will be automatically delivered, invoiced and are due for payment.

## **§ 5 Raw materials**

1. The quality of the delivered raw materials will influence the quality of our produced products. Therefore, quality changes based on changes of the quality of the raw materials cannot be influenced or justified by the company ENOL Folien GmbH.
2. Without special instructions of the client, orders will be carried out with raw materials usual in the industry and according to well-known production process. The client has got to declare explicitly his demand of a higher quality than usual in trade, which can increase the price, if we did not get to know already at working out the offer.
3. Reprimands of defects cannot be imposed referring the conduct of packaging material to filling material and reversed, if the client has not drawn the attention particularly on the special features of the filling material and has not given the opportunity of statement to ENOL Folien GmbH.

## **§ 6 Quantity difference and printing processing**

1. Referring any deliveries, the company ENOL Folien GmbH reserves the right of a more or less delivery. These are max. -10 / +10% from 20.000 pcs. per size on and max. -10/+20% for quantities of 5.000 upto below 20.000 pcs. per size. If minor delivery is not allowed, this is to be stated in the written order. Otherwise a further delivery of the difference in case of less delivery cannot be demanded as well as taking back quantity differences in case of more delivery.
2. Trial printings before the beginning of the production must be demanded particularly and will be billed according to the expenses.
3. When producing new printing plates/clichés or cylinders, the proof approved by the buyer is binding for the print image position as well as for the text contents. Optionally, a print data confirmation based on chromalin is possible at the buyer's request for an additional charge. For technical reasons, there is no colour commitment for the production of a chromalin template and/or a paper proof of the motifs created. Special colours are checked on the basis of the HKS/Pantone colour guides customary in the industry.
4. Drafts and originals as well as extensive sample work will be charged extra if an order is not made within the scope of the offer. The samples are property of the company ENOL Folien GmbH and may not be used without its explicit approval. By the payment of cost shares for clichés, tools, films etc. the buyer does not acquire any right to the surrender of the mentioned objects.
5. ENOL Folien GmbH does not assume any liability for quality claims regarding the printing inks used. High-quality standard printing inks are used without special instructions. Special requirements placed on the printing inks by the purchaser (e.g. increased UV resistance, friction resistance, resistance to cold, etc.) must be specified in writing by the customer in the quotation phase as well as in the order. Colour variations cannot be completely ruled out by the ink manufacturer itself - this also applies to standardised Pantone colours. Minor colour deviations do not entitle the

buyer to refuse acceptance of the goods or to a price reduction. For technical reasons, register deviations and/or printing misalignments cannot be completely ruled out - despite modern printing machines and careful implementation - so that only significant deviations can be objected to. The basic prerequisite for a clean print execution is the receipt of flawless, suitable vectorised print data in PDF form. Image representations require sufficient resolution in the print data. When displaying EAN barcodes in flexographic printing, care must be taken to ensure sufficient size (from SC2). For the best possible readability of the barcode, alignment in the direction of printing (horizontally) is conducive, although for general technical reasons (flexographic printing, natural reflections from foil surface, etc.) no guarantee can be given for binding compliance with barcode quality classes. If required, the print data will be requested by ENOL in open form in order to be able to make a correct adjustment to the printing machine. Possible adjustments of the print data serve the best possible print realisation by means of the existing printing machines as well as printing plates. The adjustments made can be seen by the client on the basis of the print data transmitted by ENOL. The print trappings required for multi-colour prints are not visible in our print data. The printing press operator is exclusively responsible for the print trappings, who makes the adjustments to the best of his knowledge and as little as possible. The final width of printed films and bags is always an interaction between the film material to be printed and the available printing plates and may therefore deviate slightly from the ordered width. The buyer will be informed about this before the print data is confirmed.

6. Printing documents as well as flexographic plates will be stored by Enol for 3 years after confirmation of the printing data. There is no general possibility of handing over flexographic plates to the buyer. Rotogravure cylinders are always on loan

## **§ 7 Delivery and danger transition**

1. The danger is passed to the client as soon as the sending is handed over to the transporting person or has left the plant of the company ENOL Folien GmbH to be transported. If the client wants a delay of the transport the danger is passed to him with the information of delivery readiness.
2. As long as the client gets in arrears with his obligations our delivery duty is stopped.
3. On desire of the clients, deliveries can be assured in his name and on his costs.

## **§ 8 Rights of the client because of defects**

1. Defects of parts of the delivery cannot be the reason for the claim of the entire delivery, if it is possible to divide perfect from defected goods by reasonable means. It is not possible to avoid a small part of defected goods in the production. Therefore, a part of 3 % of the delivered goods cannot be claimed - it does not matter if the defect is part auf processing or printing. In case of coloured printing processing small differences in colour are no defect. Differences, which can technically not be avoided in case of any kind of foils in thickness (up to +/- 3 %) and in measurement of foil bags (up to +/- 3 %) are usual in trade. Additionally, the "GKV-examination and valuation clauses for high-pressure-Polyethylen-foils and products" are valid; these have been worked out by expert association for packaging and packaging foils within the GKV and deposited at the federal institute for material examination. The company ENOL Folien GmbH excludes liability for the aptitude of the foils and the produced articles for special use. The clients is responsible himself for the filling suitability.

This also applies to the barrier effect of composite films and their influence on the shelf life of food.

2. Demands on defects are excluded, if the client changes, processes or sells the goods. Differences to earlier deliveries or samples are subject to alterations.
3. Reprimands of defects must be imposed immediately, latest one week after the receipt of the goods at its destination, by written form with a defect reason, presentation of the corresponding examination sample as well as definite fixing of the supplying charge by giving the number of delivery not or bill.
4. Several later deliveries are allowed. Any other discrepancy, e.g. shortening of the billing amount by the client, the billing of repacking/sorting of defected goods etc., must be carried out in written form and are not allowed without the agreement of ENOL Folien GmbH.
5. The storage of the articles of the company ENOL Folien GmbH should not exceed 12 months. The stocking must be carried out with an average room temperature of 18-20 degrees and with a humidity of 40 to 60 %.
6. The limitation period for above mentioned demands is six months after the delivery of the goods, if there is not any intention by the company ENOL Folien GmbH and no longer legal period is especially valid.

## **§ 9 Restriction of liability**

1. The liability of the company ENOL Folien GmbH is restricted in case of slight negligent breach of duty on an average damage, according to the kind of goods foreseen, typical for the contract and direct. This is also valid in case of slight negligent breaches of duty by the legal represents or fulfilment assistants of the company ENOL Folien GmbH.

## **§ 10 Reservation of proprietary rights**

1. The company ENOL Folien GmbH reserves the rights of proprietary on the delivered goods until any demands against the client have been fulfilled, which are entitled now or in the future to the company ENOL Folien GmbH. The client is not allowed to use reservation goods.
2. The client will point out the proprietary of the reservations goods to the company ENOL Folien GmbH in case of access of third persons, especially bailiffs, and will give immediate information in order to enable the company ENOL Folien GmbH to announce its proprietary rights. The Client is reliable for the costs which are emerging judicially and out of court, if the third person is not able to pay for them.
3. The company ENOL Folien GmbH is allowed to withdraw from the contract and to demand back the reservation goods in case of behaviour contrary to the contract, especially delay in payment.

## **§ 11 Payment**

1. Selling and technical staff is not allowed to carry out collection in cash; additionally payment with releasing effect can only be carried out directly to the company ENOL Folien GmbH or to a bank account indicated by this company. The client is only allowed to charge if the counterdemand is undisputed or ascertained legally valid. However, the client is allowed to keep back in case of counterdemand out of the same contract.

2. Invoices of the company ENOL Folien GmbH are payable within the agreed deadlines and finally within the deadlines stated in the invoice. If the deadlines are exceeded, according to §288, paragraph 2 BGB (German Civil Code) default interest is to be paid in the amount of the current base interest rate (§247 BGB) plus 9 percentage points.
3. The company ENOL Folien GmbH reserves particularly the right to refuse cheques and bills of exchange. The acceptance is only effected for reasons of payment. Costs for discounts and bills of exchange are chargeable to the client and are immediately due.
4. The company ENOL Folien GmbH is allowed to charge payments of the client to older debts despite other regulations and will inform the client about the way of crediting. The company ENOL Folien GmbH is allowed to charge first the costs, afterwards the interests and at least the main performance if there are already costs and interests.

## **§ 12 Place where the contract has to be fulfilled and court of jurisdiction**

1. The law of the Federal Republic of Germany is valid for these business conditions and the entire legal relationship between the company ENOL Folien GmbH and the client. The restrictions of the EU-selling law are not applied.
2. The client agrees completely to the above mentioned selling conditions by putting an order. Own purchasing conditions of the customer are not valid, even if the company ENOL Folien GmbH did not contradict. Other spoken agreements are only valid if they are confirmed by written form.
3. Reinfeld/Holstein is exclusive court of jurisdiction for any quarrels caused by the contract relationship directly or indirectly, if the customer is businessman, legal entity of the public law or public-legal special property.
4. The effectiveness of all other regulations or agreements will not be effected, if a regulation of these business conditions or a regulation within the framework of other agreements is or will be ineffective.
5. Only German law is valid. The application of the agreement of the United Nations dated 11th of April, 1980, is excluded, in which contracts for the national purchase of goods (BGB 1989, P. 586) for the Federal Republic of Germany (BGB 1990, p. 1477) are regulated.

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