



As at January 2014

General Terms and Conditions of Purchase

§ 1 General

- (1) All deliveries, services and offers of our suppliers are solely based on the General Terms and Conditions of Purchase as defined herein. The terms and conditions outlined below shall form part of the agreement concluded by us.
- (2) Our General Terms of Sale, in their respective latest version, shall also apply to all subsequent transactions, regardless of whether reference to the conditions has been made or not.
- (3) Deviating terms and offers or any other reference of the seller, which have not been explicitly recognized in writing, shall not be binding on us, even if no explicit objection has been made. Deviating terms of the seller shall only apply if they have been expressly confirmed by us in writing.
- (4) The supplier may not assign any claims arising from transactions with us without our prior written approval.

§ 2 Offers, orders

- (1) Regardless of their actual designation and/or any time limit contained in them, all offers submitted to coepto shall be binding upon the supplier for a duration of at least 3 months each upon receipt by coepto. Irrespective of which services have been brought by the supplier as to the preparation of the offer and the actual submission of it, they do not justify any claim for remuneration or reimbursement of costs.
- (2) Placings of orders and/or orders by coepto are solely made in the non-existence of any binding effect, in writing, normally by indicating an individual order number by coepto.
- (3) The supplier shall guarantee that all items delivered to coepto and all services rendered to the ladder conform to all specifications unilaterally defined by coepto upon placing the (purchase) order.
- (4) Coepto's (purchase) order, especially prices, deliveries/services, quantities and time of delivery or performance shall be confirmed by the supplier within three (3) working days in writing. If we do not receive such confirmation within the above-mentioned delay, the (purchase) order shall be deemed to be confirmed. In the absence of a response by the seller, coepto shall be authorized to revoke completely or in parts the (purchase) order without the seller being entitled to assert claims from this.
- (5) Unless otherwise agreed in individual written contracts, we are not obliged to call off deliveries/services from the supplier.
- (6) Force majeure, industrial disputes and operational interruptions that are not the fault of the operator, disturbances, official measures and other unavoidable events entitle us, regardless of our other rights, to withdraw from the contract wholly or partly, as far as they are of considerable duration and lead to a considerable reduction of our demand.
- (7) If it becomes evident, after conclusion of the contract, that the supplier's entitlement for supply is endangered by his lack of ability to perform (for instance levy of execution against the supplier, insolvency), we shall be entitled to refrain from the contract. The supplier is obliged to inform us in writing about any threat to our entitlement of supply. The supplier shall be liable for all losses resulting from the failure to give notice or from a delay in giving such notice.

§ 3 Prices, Terms of Payment, Details on Invoices

- (1) The agreed prices are fix prices. Price changes are only valid if agreed upon in writing by both parties. Unless otherwise agreed in writing, prices contain all packaging costs for the delivery/services and the delivery or transport to the delivery address indicated in the order.
- (2) Unless otherwise agreed, we shall pay the purchase price within 14 days of delivery and receipt of invoice, applying a 3% discount, or within 30 days after receipt of invoice, net. The payment period does not begin until after the receipt of the goods and a proper invoice at coepto.
- (3) The order number, coepto item description, delivery quantity and delivery address shall be part of all order confirmations, delivery papers and invoices. Should one or more of these details be missing, and, therefore, processing within our normal business operations is delayed, the payment periods mentioned in paragraph 3.2 shall be extended by the period of the delay.

§ 4 Delivery and performance dates

- (1) Agreed delivery and performance dates are fixed dates and shall be observed accordingly. The supplier is not authorized to make partial deliveries without our expressed consent. In the absence of such approval, we are entitled to refuse the receipt of a partial delivery or service and to return it to the

sender or to store it at the premises of a third party at the cost of the supplier. Should we accept an earlier and/or incomplete delivery, the agreed payment terms herein shall not commence until the delivery/performance has been completely fulfilled and the seller has transferred the proper invoice to us.

(2) The supplier is obliged to inform us immediately of any changes in circumstances which will affect the time or the quality of the delivery.

(3) Should the latest date on which delivery is to occur based on the contract pass without delivery, the supplier falls into delivery default without the need for a reminder or complaint to be issued on our part.

(4) In cases of delayed or incomplete deliveries/services, we are, after granting a grace period of two (2) weeks after the date on which the delivery/service was initially due, entitled to insist on the delivery/service and compensation of the damage due to delay in performance by the supplier or (ii) to refrain from the order wholly or partially and to claim replacement for the damaged caused by delay and the costs for substitute services.

(5) In case of delivery delays, we shall be entitled to impose a contractual penalty of 1% for each commenced working day of delay, but no more than a total of 5% of the value of the order. The contract penalty shall be set off against the damages for delay to be paid by the supplier.

§ 5 Shipment instructions, Destination

(1) The instructions and processes for the delivery of goods must be adhered to. Goods shall be properly packed for transport. The supplier shall be made liable for all damages caused by improper packaging.

(2) Unless otherwise defined in the order, the provision DDP according to INCOTERMS 2010 shall apply for the delivery of goods and the determination of prices. Title to the goods is transferred to coepto upon the supply of the deliveries/services, whereby the supplier is not authorized to deliver goods under reservation. If shipments are subject to customs duties, the following papers and forms must be furnished by the supplier: (i) two invoices for customs clearance, (ii) movement certificates or certificates of origin type A, (iii) a packing list and (iv) any other required document. The supplier shall also indicate on all documents the customs tariffs number(s), net weight and relevant order number.

(3) Upon receipt of the goods/service, coepto is solely obliged to inspect the identity of the goods/service, its completeness and potential external damage. We explicitly reserve the right to notify any defect deliveries/services which do not conform to the quality as defined in the order, at any time within the legal warranty period. In this respect, the supplier will waive any plea for a late notification of defect during the warranty period.

§ 6 Drawings, Copy Rights

(1) We reserve the right of property and copyright for all our orders as well drawings, pictures, calculations, descriptions and other documents. Without our written consent, the supplier may not make them accessible to third parties, publish, use, reproduce or let third parties use them. The supplier shall hand back these documents and all potential copies immediately and completely upon our request if they are no longer requisite for his usual business procedures, or if negotiations do not result in the conclusion of a contract.

(2) All tools, devices, samples and models which have been provided by us to the supplier or which have been produced for contractual purposes or have been charged separately by the supplier shall remain our property or shall pass into our property. They must be recognizably marked as our property, stored properly, be protected against any kind of damage and are to be used solely for contractual purposes. The supplier shall notify us without undue delay of all damage to said items which are not minor damages. Upon request, the supplier is obliged to hand these objects over to us in proper condition if they are no longer needed for fulfilment of the contract entered with us.

(3) Reservation of proprietary rights in favor of the supplier shall only apply in so far as these relate to payment obligations for the given product in respect of which the supplier retains property rights. Extended or lengthened reservations of proprietary rights are not permitted.

§ 7 Quality Management

The supplier undertakes to have in place an appropriate, systematic and permanent quality management system to ensure a continuous high quality of the products. This must be documented accordingly and presented to us upon request. Moreover, coepto is entitled to demand, with immediate liability for the supplier, specifications of the quality management as well as single emergency measures and to control it systematically.

§ 8 Warranty, technical and food regulations, complaints, tolerances

coepto General Terms and Conditions of Purchase

(1) The supplier shall be liable for the conformity of all goods and services to the agreed criteria and ensure that they are of sound and fair merchantable quality and without any defect or imprecision regarding material, form and performance and that they are fit for the intended purpose and usage. Without limiting the foregoing, the supplier shall furnish all deliveries/services based on a state-of-the-art standard by using defect-free, appropriate material in accordance with good custom and practice, through appropriate and safe constructions and defect-free installations.

(2) Paper and paper-based products shall be subject to a maximal thickness and weight tolerance of 4%, under the exclusion of any other tolerance. As to aluminum foil, compound foil, cellular glass and other comparable materials, the thickness or grammage tolerance (depending on which dimensions were subject of the contract, it applies singly or as part of another product) shall be +/- 3%.

(3) Products serving the packaging of food, as well as any paper, foil, auxiliary materials (such as paints, glues etc.), that may be used for the production and finishing of packaging materials, shall conform to the latest German and European legislation as well as the most up-to-date standards. Upon request, the supplier shall furnish, at their own cost, corresponding clearances issued by neutral institutes. Likewise, the supplier shall make available such documents for third countries to be determined. The supplier shall exempt us and our customers from all claims resulting from a non-conformity or breach of currently applicable law and regulations.

(4) Acceptance or approval of samples does not constitute a waiver of warranty rights. Payment of the contractual goods or services does not involve recognition of their freedom of defects.

(5) Upon receipt by the supplier of our written defect notification, the statutory limitation of warranty claims is inhibited. For repaired or replaced goods, the warranty period for such replaced or repaired parts shall start anew.

(6) If print templates contain technical codes (esp. EAN bar codes, QR codes or other similar codes), the supplier shall guarantee the functionality and the correctness of the information contained in the code by function tests before and during the production. However, the supplier is not responsible for the content of for instance destination addresses in the internet. Should any technical problems in this context occur (for instance poor legibility or contextual modifications of the code), the supplier shall immediately inform us about it and stop production until the situation has been clarified.

(7) Should deliveries/performances be defective, of whatever nature or dimension, we shall be entitled, at our own choice and within a reasonable grace period, to claim replacement or repair of the corresponding services/goods or that the service/goods be re-provided or the price of the goods/services be reduced. If the defect is impossible to repair, or if the remediation of the defect imposes an unreasonable burden on coepto or the grace period expires to no avail, we shall be entitled, at our own choice, to refrain from the (purchase) order wholly or partially and to waive our claim for the goods/services or to take corrective action by ourselves or to have them taken by third parties. The supplier shall bear the costs incurred by this action.

(8) All expenses incurred by the occurrence of a/the defect(s) – no matter which warranty remedy coepto chooses, the assertion of said warrant rights or the remediation of the defects as well as any wasted expenses by coepto, including expenses for additional tests of the goods/services, determination of the defects, sorting out, reconstructions et alias, shall be borne by the supplier.

(9) coepto is entitled to notify any defect within twenty-four (24) months after receipt of the goods/service and to claim the correction of the defects as defined in this document as well as all claims according to applicable law. The said delay of twenty-four (24) months shall recommence for the concerned goods/service upon completed remediation of the defects.

§ 9 Product Liability

(1) The supplier shall be responsible for all claims asserted by third parties based on damage to property or persons where these are attributable to a faulty product delivered by himself, and shall be obliged to release coepto from any liability that may result from the fault. If we are obliged to initiate a product recall affecting third parties due to defects in one of the products delivered by the supplier, the supplier shall bear all costs caused by the recall.

(2) The Supplier is obliged to close an appropriate product liability insurance with a coverage amount of € 5.000.000,00 for property and/or personal and/or capital damage per case of damage and to keep the insurance for the period of the business relation. The insurance shall also cover all risks of a recall, unless otherwise agreed in individual cases. Upon our request, the supplier is obliged to send to us a copy of the product liability police or a corresponding cover note.

(3) The supplier shall hold coepto harmless against any product liability claims or other damages caused by or in connection with the delivered goods/services by the supplier, including, without limitation, the compensation of loss of interest, lawyer's fees and any other related expenses, except in cases where the damage has been caused by coepto.

§ 10 Property rights

(1) The supplier is responsible for ensuring that no third-party protection laws are breached in connection with products produced by the supplier or on behalf of the supplier in countries of the European Union, North America or other countries. This does not apply in cases when the Supplier advises us about his concerns and we still insist on the execution of our order in the existing form.

(2) All materials, preparations and products delivered or serviced to us must fulfill the regulations and measures as laid out in REACH. The responsibility for the conformity lies with the supplier.

(3) The supplier is obliged to hold coepto harmless from any claims that third parties might have against us due to said breach of property rights and to reimburse us for all necessary expenditures associated with this claim. This demand is irrespective of any fault of the supplier.

§ 11 Confidentiality

(1) The supplier is obliged to keep secret the terms of the order and all information and documents made available to him for this purpose (with the exception of information which is accessible by the public) for an unlimited period of time and to only use them to carry out the order. The supplier will hand back any information immediately upon our request after processing enquiries or orders

(2) The supplier and its sub-suppliers which we have authorized are, except in cases where we have given our prior written consent, not allowed to mention or refer to coepto in any advertising material, external communication or any other publication or to use our brand labels or customer brands.

§ 12 Compliance

(1) All deliveries and services must comply with our Social Code of Conduct and be in line with local regulations and stipulations. At their own expenses, the supplier is obliged to adhere to this confirmation and to hold coepto harmless against any consequences due to possible infringements of rights. The damages caused shall be compensated by the supplier.

(2) All coepto business partners are obliged to adhere to international duty and trade regulations. Provided that the supplier's services or goods to be delivered are subject to international barriers to trade or prohibitions, the supplier is obliged to promptly notify coepto in writing and to provide us with the offer, order confirmation and the proceeding provision of services in accordance with the law.

(3) coepto reserves the right to check, either personally or by a third party, at any given time the compliance with the terms and conditions set out herein and to terminate the contract with immediate effect in the event of non-compliance.

§ 13 Final Provisions

(1) The place of execution for both parties shall be the respective place of destination.

(2) Place of jurisdiction for all disputes arising from the contractual relationship shall be Cologne, Germany.

(3) This contract and all related orders shall be subject to German law. International law of sales shall be excluded. This shall expressly also be applicable to the use of United Nations' Agreement on Contracts pertaining to the International Sale of Goods (CISG).

(4) The invalidity of individual provisions of these General Terms of Purchase shall not affect the validity of the remaining provisions. Invalid provisions shall be deemed to be replaced by such valid provisions that are suitable to implement the economic purpose of the deleted provision to the greatest extent possible.