GENERAL TERMS AND CONDITIONS

Introductory provisions

These General Terms and Conditions (hereinafter: the “GT&Cs”) shall apply to all trade relations between the company VALOVITI PAPIR – DUNAPACK d.o.o. with registered seat in Zabok, Trebež 2, Company ID no. (OIB): 96648829623; Reg. no.(MBS): 080416836 (hereinafter: “Dunapack”) and its customers and shall supplement specific covenants as set out in particular contracts on representation and/or purchase of corrugated cardboard packaging products.

Where these GT&Cs are contrary to specific covenants as set out in a particular contract on representation and/or purchase of corrugated cardboard packaging products, the specific provisions of such contracts on representation and/or purchase of corrugated cardboard packaging products shall be applicable.

1. Prices and Payments

1.1. The quantity and price shall be agreed separately for each specific purchase order. Dunapack is authorised to unilaterally change the product price in case the price of basic and/or additional materials and/or energy sources used in the production is changed by more than 5% (in words: five percent). Price changes of basic materials shall be governed by the balance expressed in monthly EUWID reports.

Dunapack shall notify the Customer in written form about the price change and the date as from which the new price shall apply, provided the changed price may apply to already confirmed purchase orders.

1.2. Payment terms shall be agreed separately for each specific order.

1.3. In case of late payment, the Customer shall be charged with the legal default interest and a special fee of EUR 40.00 (in words: forty Euro and zero cents) in Kuna equivalent according to the mean exchange rate of the Croatian National Bank on the calculation date. In case the Customer is late with payment Dunapack may reject any further purchase order from the Customer.

1.4. Dunapack may determine a credit limit for each Customer provided with deferred payment option. The credit limit amount shall refer to total sum of invoiced outstanding sums, value of products on stock and already confirmed purchase orders. When making the payment, the Customer shall refer
to the invoice number. Where the Customer fails to refer to the invoice number, Dunapack may settle the purchase orders chronologically, starting from the oldest outstanding invoice.

If the Customer issues a new purchase order in an amount exceeding the approved credit limit sum, Dunapack may reject the new purchaser order.

2. Quality

2.1. The quality of corrugated cardboard products shall correspond to the verified standards of Dunapack and/or mutually verified technical specifications and/or mutually verified samples.

3. Production and delivery

3.1. Purchase orders received on workdays by 12.00 h (in words: twelve) shall be processed on the same day while those received after 12.00 h (in words: twelve) and/or received on a non-working day shall be processed on the first subsequent workday.

Dunapack shall either confirm or reject the purchase order in written form within 24 (in words: twenty-four) hours from the purchase order processing date. The final term for production and delivery of a product shall be defined in the purchase order confirmation and may be 7 (in words: seven) workdays from the order confirmation date. A longer term for production and delivery of products shall be agreed separately for a specific purchase order.

The term for production and delivery shall be extended in case of 1st (in words: first) production and if there is need for tools and/or printing forms and/or offset printed sheets and/or additional certifications. In some cases, additional delivery term may be agreed separately for each individual purchase order, but not exceeding 30 (in words: thirty) workdays from the order confirmation date.

3.2. In case the Customer demands a shorter delivery term and Dunapack is able to fulfil the Customer’s request, Dunapack shall charge an additional amount of 50% (in words: fifty percent) on the agreed price with the mention of the additional amount and the shorter term in which Dunapack shall provide delivery in compliance with an additional order confirmation.

3.3. Allowable difference in quantities in respect of a specific purchase order, production and delivery shall be +/-10% (in words: ten percent). In case of production deficit, Dunapack retains the right to decide on subsequent production of the deficient quantity.
3.4. Time and place of delivery, means of transport and transfer of risk shall be agreed in advance and confirmed in purchase order confirmation in compliance with INCOTERMS, including DAP or EXW clauses for exports and CPT or FCA for domestic orders.

3.6. Unless agreed otherwise, the goods shall be delivered on single-use pallets. The height of a pallet with goods may be 120-220 cm, depending on the product.

3.7. If the Customer makes its own arrangements for transport of ordered products, the Customer shall arrange the transport and accept the goods within 2 (in words: two) days from the agreed delivery date. By way of exception, in case of any change or extension of the delivery term set out in the order confirmation, Dunapack shall notify the Customer in written form about the changed/extended delivery term and the Customer shall arrange for transport and shall accept the goods within 2 (in words: two) days from the changed/extended delivery date.

3.8. If the Customer fails to accept the products within the agreed term, Dunapack may debit the storage costs on the Customer in a sum of €5 (in words: five Euro and zero cents) per storage day per pallet. Dunapack is authorized to invoice to the Customer the costs of storage of non-accepted products on the product acceptance date.

If the Customer fails to accept the products from Dunapack’s warehouse within 15 (in words: fifteen) days from the agreed delivery date, Dunapack may destroy the ordered products at the Customer’s cost and may invoice to the Customer the ordered products, the costs of storage and any other damages incurred by Dunapack by the failure to accept the products.

3.9. The Customer may cancel the purchase order before the start of production. In that case, Dunapack may charge to the Customer a penalty of 20% (in words: twenty percent) of the total price per cancelled order item.

3.10. After the start of production, the Customer may not cancel the order and must accept the ordered goods and pay the full agreed price.

4. Complaints

4.1. When accepting the products, the Customer shall examine the products and packaging (pallets, cover plates, etc.) immediately in the usual manner and inspect their quality and quantity and shall report any visible deficiencies to Dunapack in written form within 2 (in words: two) days from the acceptance date. Otherwise, the Customer shall have no right to complain.

4.2. The Customer shall store the received products in dry, well-aired premises protected from direct sunlight, according to the storage instructions as set out on the pallet card for each delivered product. Dunapack shall not be liable for product deficiencies if the storage conditions as set out in
the storage instructions are not fulfilled.

If the Customer arranges for transport of the delivered products independently pursuant to Article 3.7 above, the transport and unloading shall be the Customer’s liability. In that case, the Customer shall bear all risk during the transport and unloading of goods. The Customer shall use the means of transport which are technically functional, with the equipment and capacity sufficient for professional transport performance.

4.3. Dunapack shall be liable for any differences in quality of the delivered products from Article 2.1 above only where the delivered products do not comply with Dunapack standards verified in advance and/or verified technical specifications and/or mutually verified samples. Any hidden deficiencies which become apparent after the product acceptance by the Customer, which were invisible to usual inspection at the acceptance shall be notified by the Customer to Dunapack in written form without delay. After expiration of 30 (in words: thirty) days from the goods acceptance date, the Customer shall no longer have the right to complain of hidden deficiencies. When filing a complaint, the Customer shall provide Dunapack with supporting documents, including the pallet card of the product and dispatch note related to the delivery subject to complaint as well as product samples and adequate evidence of the storage and the conditions of storage of the product subject to complaint, in order to determine the origin and time of production and the conditions of storage of such products.

4.4. Where differences in quality are found, the Customer shall allow Dunapack to examine the products subject to complaint on the spot. Dunapack shall notify the Customer about the intention to examine the products subject to complaint in written form within 2 (in words: two) days from the date of receipt of the complaint, in which case the Customer must retain the delivered goods. In that case, the Customer is not authorized to dispose in any way and/or use and/or move the delivered goods subject to the complaint.

4.5. If the complaint has valid grounds, Dunapack shall notify the Customer accordingly in written form. Dunapack shall notify the Customer in written form about the manner in which the complaint shall be settled pursuant to Article 4.3 and 4.4 above, i.e. whether Dunapack shall at their discretion provide additional delivery or substitute the products subject to the complaint or refund a proportional share of the paid price, within 5 (in words: five) workdays from the date of the written confirmation of complaint by Dunapack. Transport costs shall be covered by the party responsible for the deficiency.

4.6. If the complaint is accepted, except in case of an agreement for financial crediting, the Customer shall return the relevant products subject to the accepted complaint to Dunapack within 15 (in words: fifteen) days from the date of receipt of notification on complaint acceptance.

4.7. If the Customer, despite the complaint, has used and/or otherwise disposed of the products subject to the complaint, it shall be deemed Dunapack has duly fulfilled all its contractual obligations.
obligations to the Customer and the Customer shall bear exclusive liability for any damages incurred in relation to the products subject to the Customer’s complaint.

4.8. Allowable quantity of corrugated cardboard products not in compliance with the quality requirements as set out in Article 2.1 above for specific product delivery may amount to:

- 3% (in words: three percent) in relation to a delivery of products in quantity up to 2,000.00 (in words: two thousand) pieces;

- 2% (in words: two percent) in relation to a delivery of products in quantity of 2,001.00 (in words: two thousand one) – 10,000.00 (in words: ten thousand) pieces;

- 1% (in words: one percent) in relation to a delivery of products in a quantity exceeding 10,000.00 (in words: ten thousand) pieces.

Noncompliant products in allowable quantities shall not be eligible for complaints.

5. Other Terms and Conditions

5.1. The preparation and technical drawing as well as graphic preparation services are charged extra. Dunapack shall be authorised to use tools and/or printing forms owned by the Customer until the Customer requests their return from Dunapack in written form. If the Customer fails to respond to Dunapack’s written call for acceptance of tools and/or printing forms within 15 (in words: fifteen) workdays from the date of receipt of the written call, Dunapack may destroy the Customer’s tools and/or printing forms without prior written consent from the Customer and shall record them in an internal record of Dunapack.

5.2. The Customer is not authorized to transfer the rights and obligations from the contract to a third party except with a prior written consent by Dunapack.

6. Jurisdiction

6.1. The provisions of these GT&Cs shall apply and be interpreted in compliance with INCOTERMS 1990/2000 as set out in Article 3.4 of the GT&Cs and the applicable legislation in the Republic of Croatia.

6.2. These GT&Cs are written in the Croatian and English languages, and the Croatian version shall be the applicable version of the GT&Cs for the parties.
6.3. The parties shall make efforts to resolve any and all disputes arising from a specific contract and/or these GT&Cs amicably. Any and all disputes arising from a contract and/or these GT&Cs, including disputes related to the issues of its valid execution, breach and/or termination as well as legal effects thereof shall be finally settled before the court with jurisdiction over the subject matter in the place of seat of Dunapack with the application of Croatian substantive laws with the exclusion of rules of conflict of law of the Croatian international private law.

These General Terms and Conditions shall apply as from 22 October 2013

Valoviti papir Dunapack d.o.o