

General Contract Terms of Model Pakiranja d.d.

The recent general conditions specified in each agreement of Model Pakiranja d.d. are applicable in all commercial relations between Model Pakiranja d.d. and The Customer to the extent that they are not in a contradiction with any special terms of a frame agreement for sale-trade of corrugated packaging products.

The tangible terms for measures, quantities, prices and delivery are subjects of agreement within the separate orders , their confirmation and the delivery terms .

1. PRICES AND PAYMENT

1.1. Model Pakiranja d.d. has the right to change the contract prices unilateral, if the price of the basic and / or additional materials used for production of these goods (corrugated packaging products), has changed with more than 5%, as indicated in EUWID .

1.2. The term of payment of the produced goods is settled in every tangible order .

1.3. In case of exceeding the term of payment the Customer owes to Model Pakiranja d.d. a penalty at the rate of 0,1 % from the amount due for each overdue day.

1.4. By the deferred payment terms Model Pakiranja d.d. settles credit limit to the Customer . In case of exceeding the credit limit by the Customer , for delay of payment or new order , which execution and delivery will exceed the settled credit limit , Model Pakiranja d.d. has the right : to cancel the acceptance of new order ; to stop the execution of the Customer's orders or to allow delivery of the already produced quantities only against payment of the amounts , exceeding the settled credit limit.

2. QUALITY

2.1. The quality of the corrugated packaging products is according to approved standards of "Model Pakiranja d.d., bilateral signed technical specifications and/or bilateral coordinated and signed samples .

2.2. Model Pakiranja d.d. guarantees for the quality parameters of its products for six months from the date of production.

3. PRODUCTION AND DELIVERY

3.1. The minimum fixed time for production and shipment is up to 7 working days from the date of the order , in cases when is not necessary the preparing of tools (design, plates and die-cutting tools) or of posters for laminated packaging .

3.2. In cases , when the Customer requires a shorter production term , by written confirmation for possibility of execution Model Pakiranja d.d. charges additionally 5% to the price of the relevant packaging , which will be indicated in the order confirmation .

3.3. The tolerance of deviation in the quantities of order, production and delivery is \pm 5%.

3.4. The time and the place of delivery , the means of transportation and transfer of risk are agreed and indicated in the order and the order confirmation complying with the standards of INCOTERMS.

3.5. The property right is transferred to the Customer by full payment of the goods.

3.6. In cases, no other conditions have been agreed upon ; Model Pakiranja d.d. utilizes EUR pallets for transportation . The height of the pallets with goods (depending on the product) can be 120-220 cm. the pallets will be invoiced to the Customer . If the Customer returns pallets in 30 days from the delivery date , which are not damaged and fit for use , then Model Pakiranja d.d. issues credit note for the amount of the real returned pallets.

3.7. When the Customer organizes the transportation , Model Pakiranja d.d. informs the Customer by fax or letter that the goods are ready for shipment , and the Customer has to organize the transport of the produced goods within 3 days after receiving of the information .

3.8. Model Pakiranja d.d. invoices to the Customer the produced goods, at the date of shipment; in case of negotiated monthly orders-in the last working day of the month for all non-shipped quantities.

3.9. If the Customer does not move (does not accept) the goods in the fixed term for shipment , Model Pakiranja d.d. JSC charges storage costs in the amount of 5 (five)

BGN per day per pallet , which shall be invoiced at the date of shipment . If the Customer has not moved the goods till the 60th day , Model Pakiranja d.d. JSC has the right to destroy the goods .

3.10. In the case of item 3.9., here above, the Customer is not discharged of liability to pay the price of the Goods and all negotiated amounts according to item 1.3. and item 3.9.

3.11. The Customer has the right to cancel the order on condition that it is not put in execution. In this case he owes penalty in the amount of 10% from the price.

3.12. After Model Pakiranja d.d. has started the production of particular order the Customer does not have right to cancel its execution and has to pay the fixed price .

4. CLAIMS

4.1. By receiving of the goods the Customer is obliged to make an immediate quality and quantity check and if there is any discrepancy he has to Model Pakiranja d.d. in written form by fax or letter within 7 working days. After the expiring of this fixed term the rights upon the claim for discrepancy are lost.

4.2. The Customer is obliged to store the received goods in dry , airy and protected against direct sunlight premises . Model Pakiranja d.d. does not accept claims , when the produced goods have not been stored under the conditions mentioned above .

4.3. In case of quality and quantity discrepancies the Customer can be compensate only by preliminary written consent of Model Pakiranja d.d..4.4. In case of quantity discrepancy Model Pakiranja d.d. has the right to choose between additional delivery and return back of the part commensurate to the already paid price to the order . Discrepancy up to ± 5 % in the quantity will not be compensated.

4.5 Model Pakiranja d.d. is liable for quality discrepancies only on condition that quality parameters have been fixed preliminary, or by discrepancies toward the technical specification of the company. If quality discrepancies occur , which are not visible (hidden discrepancies) , the Customer is obliged to Model Pakiranja d.d. for his claim objections within 30 days from receiving of the goods , after this term the rights upon stated quality discrepancies are lost. Along with his objections the

Customer is obliged to submit also the concomitant labels of the goods , which provide information for the back tracing as well as samples of the claimed products .

4.6. In case of quality discrepancy the Customer has to allow to Model Pakiranja d.d. to inspect the respective delivery on the spot . Model Pakiranja d.d. is obliged to inform the Customer for such intention in written form within 5 days after receiving of the written objection . In this case the Customer has to keep the discrepant goods and has no right to process or use them .

4.7. The way of settlement of the claim has to be agreed between the parties , for every tangible case , depending on the type and on the point of discrepancy . The additional delivery or the replacement has to be done compulsory within 10 days , after the date of the confirming of the claim , and the transport cost will be charged to the fault party .

4.8. The claims are valid only if standard getting of samples in compliance with ISO standards has been effected.

4.9. In case that the claim is confirmed , excepting the agreement of the price rebate , the Customer has to return back the claimed production to Model Pakiranja d.d. within 15 calendar days from the notification for the confirmation of the claim.

5. OTHER CONDITIONS

5.1. All die - cutting tools , plates and posters , prepared for tangible order and paid by the Customer are his property . Model Pakiranja d.d. accounts their production value separately and is obliged to keep the die - cutting tools and the plates 1 year , considering the last day of production , after this period has the right to use them, if the Customer does not attempt to take them back .

5.2 Model Pakiranja d.d. puts our logo on all of our products unless the Customer has explicitly opposed to this in written.

5.3. The parties cannot transfer to third parties the rights and obligations according to the present General Contract Terms, without preliminary written consent of the other party .

6. JURISDICTION

6.1. In the interpretation and the appliance of the General Contract Terms are valid INCOTERMS 1990/2000 and the laws of....., whilst the influence of the European commercial legislation is excluded.

6.2. Any dispute arising out of the present General Contract Terms shall be settled by the parties through negotiations or, if no settlement has been agreed upon, shall be referred to the jurisprudence and competence of the Arbitration court of theChamber of Commerce, and the legislation shall be applicable.

Model Pakiranja d.d.