

Terms and conditions of sale and delivery

April 2023



The following terms and conditions of sale and delivery shall apply to the sale of products by the Supplier to the Customer unless changes are expressly approved in writing by the Supplier.

1. Quotation

- 1.1. The validity of quotations is binding for a period of 30 days from the date of issuance.
- 1.2. The supply agreement shall be deemed concluded when the Customer's acceptance of the quotation is received by the Supplier.
- 1.3. The quotation is conditional on:
 - The customer does not require the work to be performed in partial deliveries rather than a single delivery.
 - The material submitted by the Customer corresponds to the Supplier's quotation.

2. Price

- 2.1. All prices exclude VAT and shipping.
- 2.2. Environmental surcharges are invoiced per invoice. The surcharge will be DKK 55.00/EUR 7,40 as of 1 January 2023.
- 2.3. In the event of an increase in the Supplier's wages, material prices, public charges, or other costs prior to the fulfillment of the supply, the Supplier shall have the right to adjust the offered price to the Customer. Upon request, the Customer may require proof of such an increase.
- 2.4. Prices in foreign currency are based on the exchange rate in Danish kroner (DKK) applicable on the date of the quotation or order confirmation. The Supplier reserves the right to adjust the price of the product accordingly in the event of exchange rate changes and prior to payment by the Customer.
- 2.5. In addition to the price offered or agreed, the Supplier shall be entitled to claim payment for:
 - Additional work because of basic material supplied by the Customer to the Supplier proving to be incomplete, unsuitable or defective.
 - Additional work because of the Customer requesting corrections or changes to the delivered material after the work in accordance with the quotation/order confirmation has commenced.
 - Additional work due to the Customer making more corrections than agreed in the quotation/order confirmation.
 - Overtime and measures agreed with the Customer after conclusion of the agreement.
 - Storage, delivery, handling and dispatch of the Customer's digital or analogue material and tools, including clichés, after delivery has taken place.
 - Additional work because the agreement cannot be implemented in a continuous production due to the Customer's circumstances.

3. Delivery

- 3.1. Delivery shall take place at the time agreed with the Customer, subject to delays and impediments due to:
 - Customer's act or omission.
 - Failure or damage to production equipment of the Supplier which has been proven to have caused delay or damage to production.
 - In case of labour disputes of any kind.
 - In addition, any other circumstance in which the Supplier invokes force majeure. Be it labour disputes, blockades, lock-outs, political unrest, government intervention of various kinds such as seizure, export and import bans as well as refusal by the authorities of export and import applications, fire, water damage and other natural disasters, transport interruption or interruption of traffic with railways, ports and other traffic institutions and means of transport, shortage of goods, epidemics, pandemics and other national and global health crises, currency restrictions and defaults or delays by the Supplier's suppliers due to force majeure.

- 3.2. In the event of delays under clause 3.1, the Supplier shall be entitled to an extension of the delivery time or to terminate the agreement.
- 3.3. If an event referred to in clause 3.1 causes the performance of the Supplier's delivery obligations to be delayed, the Supplier shall be obliged to perform the agreed delivery obligations should the Customer consent to remunerating the supplementary price determined by the Supplier.
- 3.4. In the absence of a stipulated deadline for delivery, the Supplier shall establish the delivery timeline.

4. Risk transfer

- 4.1. Unless otherwise agreed, delivery shall be deemed to have taken place when the order is ready for pickup at the Supplier's address.
- 4.2. Should it be agreed that the order is to be shipped to the Customer, delivery shall be deemed to have taken place when the order is prepared for shipment from the Supplier's address.
- 4.3. The transfer of risk to the Customer shall occur upon product delivery, regardless of the Supplier assuming full or partial payment of transportation costs, etc.
- 4.4. The Supplier shall bear the cost of the non-returnable packaging. The packaging shall be decided by the Supplier, taking into consideration the mode of shipment.
- 4.5. Upon the Customer's request and at their expense, the Supplier shall secure the requested transport insurance.

5. Payment

- 5.1. Payment shall be made either on the date indicated on the quotation, order confirmation or invoice as the last due date for payment, provided that, if not otherwise indicated, the Customer shall be granted the payment terms net cash 30 days from the invoice date.
- 5.2. Interest shall accrue from the due date at the Supplier's then-current rate. The interest rate is currently 9,90 % p.a.
- 5.3. At the Supplier's request, the Customer shall be obliged to provide a bank guarantee as security for payment. If the request for a bank guarantee is made after the conclusion of the Agreement, the Supplier shall be obliged to indemnify the Customer against any costs incurred in connection therewith.

6. Property rights, copyright, etc.

- 6.1. The Supplier shall retain the proprietary rights to the preparatory works, creative designs, original materials, and similar products developed by the Supplier, regardless of the production technique utilized and storage method, and such rights shall not be conveyed to third parties without the Supplier's authorization.
- 6.2. The preparations and intermediate products, including digital print files, clichés, and tools, provided by the Supplier for the purpose of delivery, regardless of the production technique or storage method, are the exclusive property of the Supplier. The Customer and any third party acting on behalf of the Customer, including another label supplier, are not entitled to claim ownership of these supplies, even if they are separately invoiced to the Customer.
- 6.3. The Supplier shall retain the materials utilized in production for future use in subsequent orders, as long as they are serviceable, for a period not exceeding three years. The materials supplied by the Customer shall remain the property of the Customer, and upon written request, shall be returned to the Customer within one month of product delivery. In the event of loss, such materials shall not be substituted.
- 6.4. The Supplier shall not be held liable for the Customer's lack of ownership rights over the materials submitted for use in the production of the Product.
- 6.5. In the event that the Supplier infringes the rights of third parties due to the Customer's insufficiency of ownership rights over the materials, the

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Supplier shall have the right to seek reimbursement from the Customer for any financial claim the Supplier may incur as a result.

- 6.6. The Supplier shall have the right to seek recourse if the product is found to be in violation of public regulations.

7. Delay

- 7.1. In the event of a delay, the Customer shall only be entitled to terminate the agreement with the reservations specified in section 3.1, if the Customer has specifically indicated the significance of delivery at an exact specified time at the time of entering into the agreement.

8. Missing

- 8.1. The Supplier shall have no liability for errors which the Customer has not corrected in writing in proofs, including prints, digital information, proofs, etc.
- 8.2. Oral corrections are made at the Customer's own risk.
- 8.3. The Supplier shall have the right to deliver quantities that vary from the ordered or quoted amount by a maximum of 10%, either upward or downward. The delivered quantity shall be invoiced at the agreed unit price. In situations where the paper or other materials for the order are produced by entities other than the Supplier, the Supplier shall be entitled to a reasonable deviation exceeding 10% of the ordered/quoted quantity, subject to the terms and conditions set by the material supplier.
- 8.4. Upon receipt of the product or a sample thereof, the Customer shall promptly conduct an inspection. Any defects discovered during the inspection must be promptly reported to the Supplier in writing. Any faults or defects that could not be discovered during the inspection but are subsequently discovered must also be immediately reported to the Supplier. The Supplier shall not be responsible for defects that should have been identified during the inspection, in the event of a subsequent complaint. Delayed complaint results in the Customer losing the right to assert the defects.
- 8.5. In the event that a defect can be rectified without causing significant hardship to the Customer, the Customer shall allow the Supplier to rectify the defect.
- 8.6. If the Customer provides the paper or other material for the delivery, the Supplier shall not be responsible for any defects or shortcomings resulting from such materials.
- 8.7. It is the customer's responsibility to ensure that the product can be used for the specific purpose for which it is intended. The customer is responsible for any deviating use. For FKM products, please refer to clause 9.5.
- 8.8. The Supplier shall not be liable for the misplacement of glued or inserted elements if the Customer does not instruct the Supplier in writing as to their placement.
- 8.9. The Supplier gives no guarantee for missing or duplicated numbers for deliveries including numbered works. Corrections of received material from the Customer will be invoiced.
- 8.10. The Supplier is not responsible for defects in the product caused by incorrect storage/handling by the Customer, as the shelf life of the product adhesive is 1/2 year from the date of production when stored at a temperature in the range 5 - 20 °C. Temperature fluctuations beyond those specified here or increased humidity reduce the service life, for which the Supplier is not responsible.
- 8.11. The disclaimers referred to in this Section 8 shall not apply if the damage or loss is caused by the Supplier's gross negligence.

9. Liability

Responsibility

- 9.1. For product liability, the currently applicable rules for product liability in Danish law shall apply.

- 9.2. Regardless of conflicting terms in the agreement, the Supplier shall not be liable to the Customer for non-performance of obligations that can be attributed to force majeure. The exemption from liability shall apply as long as force majeure persists. Circumstances referred to in clause 3.1 are considered as force majeure.

Product responsibility

- 9.3. Product liability is governed by the rules on product liability in Danish law applicable at any time.
- 9.4. For product liability not covered by mandatory rules on product liability, the following limitations apply:
- The Supplier shall be liable only if it can be proved that the damage was caused by faults or negligence on the part of the Supplier or others in the production chain for which the Supplier is liable.
 - The Supplier shall not be liable for any loss of business, loss of time or any other indirect economic consequence, such as loss of production, goodwill, time, sales or profits. Thus, the Supplier shall not be liable for any loss caused by accident, accidental damage or negligence of the Supplier or its employees or subcontractors, which cannot be qualified as gross negligence.
- 9.5. With regards to FKM (Food Contact Material), it is the final finished product manufacturer who must determine compliance with the overall migration limit (OML) and specific migration/safety limits (where applicable), and further confirm compliance with Article 3.1(c) of the EU's Framework Regulation (EU) No. 1035/2004 of March 27th, 2021), which prohibits the alteration of the organoleptic properties of the food. The final finished product manufacturer is particularly responsible for examining the suitability of the product supplied by the Supplier for the intended packaging/the intended food and the product's final use. The Supplier's products are for indirect food contact, and the Customer is obliged to ensure a functional barrier between the product and the food. This functional barrier can be glass, ceramics, and aluminum. PET can be a functional barrier if it is strong/thick enough, based on a risk assessment performed by the final finished product manufacturer. Unless otherwise specified, for self-adhesive labels: The silicone-coated liner has not been evaluated against the EU Framework Regulation (EU) No. 1935/2004, as it must be removed from the laminate product before it is used on food.
- 9.6. The Supplier's product liability is limited in total to DKK 500,000 / EUR 67,000 per order.
- 9.7. The Customer shall indemnify the Supplier to the extent that the Supplier is held liable to third parties for such damage and loss for which the Supplier is not liable to the Customer under these terms and conditions of sale and delivery.

Third party rights

- 9.8. The Supplier shall have no liability for the Customer's failure to allow the reproduction, multiplication or publication of any writing, images, drawings, designs, illustrations, texts, trademarks, other business signs and other goods, including designs or other rights of third parties.
- 9.9. If the Supplier is liable to a third party because of the Customer's failure to exercise the rights of a third party commercially, the Customer shall be obliged to indemnify the Supplier in accordance with clause 6.5.

10. Subcontractors

- 10.1. The supplier shall be entitled to subcontract all or part of the work.

11. Continuous contract work

- 11.1. If the Customer has agreed to continuous fixed deliveries and no other written agreement has been made, the Customer shall be entitled to terminate the agreement at the end of a calendar month by giving 3 months' notice.

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12. Applicable law and jurisdiction

12.1. Danish law applies to the agreement if the legal situation is not regulated in these conditions.

12.2. Disputes can only be brought before the Court in Kolding (DK).