

Graphic Packaging International Rotherham Limited
STANDARD TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS

1. INTERPRETATION

In these Conditions:

"Buyer" means Graphic Packaging International Rotherham Limited, with company number 00550953, whose registered office is at Eversheds House, 70 Great Bridgewater Street, Manchester, United Kingdom, M1 5ES t/a Graphic Packaging International.

"Conditions" means the standard terms and conditions of purchase set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller.

"Contract" means a contract for the sale and purchase of Goods between the Seller and the Buyer in accordance with these Conditions and including these Conditions.

"Delivery Address" means the address for delivery stated in the Order.

"Goods" means the goods and/or services (including any instalment of the goods or services, or any part of them) described in the Order.

"Order" means the Buyer's purchase order to which these Conditions are annexed.

"Price" means the price of the Goods calculated in accordance with condition 4.

"Seller" means the person who accepts (or is deemed to accept) the Buyer's Order.

"Specification" includes any plans, drawings, data or other information relating to the Goods.

The words "include" and "including" shall be construed without limitation.

A reference to a law or statute is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

Words denoting the singular shall include the plural number and vice versa and words denoting the masculine gender shall include the feminine and neuter genders. As used in the Conditions, "written" or "in writing" shall include communications by fax, email, EDI or any other electronic medium.

2. BASIS OF PURCHASE

- 2.1 The Order constitutes an offer by the Buyer to purchase the Goods subject to these Conditions. Acceptance or execution of the Order shall be conclusive proof of the Seller's acceptance of these Conditions.
- 2.2 These Conditions shall apply to the Contract to the exclusion of any other terms and conditions that the Seller seeks to impose or incorporate, or which are implied by trade, custom, practice or in the course of dealing. Without prejudice to the foregoing, no terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgement or acceptance of order, specification, delivery note, invoice or similar documents shall form part of the Contract and the Seller waives any right which it otherwise might have to rely on such terms and conditions.
- 2.3 Save where the Seller and Buyer have expressly agreed in writing to the contrary, the Order will be deemed to be unconditionally accepted by the Seller on the earlier of (i) the date falling 5 days after the date of the Order or (ii) the Seller giving express notice of acceptance of (or impliedly, by fulfilling) the Order.
- 2.4 No variation to the Order, these Conditions or the Price shall be binding on the Buyer unless confirmed in writing by a director of the Buyer or a person with the designation "Director" of the Buyer.
- 2.5 An Order will only be capable of acceptance by the Seller once an official written order number is allocated to the Order by the Buyer ("Order Number"). The Seller is not entitled to rely upon any verbal orders.

3. SPECIFICATIONS

- 3.1 The quantity, quality and description of the Goods shall be as specified in the Order and/or in any Specification supplied by the Buyer to the Seller or agreed in writing by the Buyer. If no Specification is specified or agreed to by the parties, then the Goods shall conform to standard industry specifications. No changes shall be made to the Specification without the prior written consent of the Buyer.
- 3.2 Any drawings, materials, documentation, equipment, samples, software, tools, dies, moulds, copyright, design rights or other forms of intellectual property rights (including any Specification) supplied by the Buyer to the Seller, or produced by the Seller for the Buyer shall at all times be and remain the exclusive property of the Buyer. The Seller shall execute all further documents and do all such things as the Buyer shall reasonably require to confer the full benefit of this condition 3.2 on the Buyer. All intellectual/industrial property rights in the drawings, materials, documentation, equipment, samples, software, tools, dies, moulds, Specification etc. made available by the Buyer to the Seller, or produced by the Seller as part of the Contract, shall be vested in full in or accrue in full to the Buyer. The Buyer shall not owe any separate fee for this, and can freely make use thereof. The Seller shall cooperate in the conclusion of the required instruments of transfer (pertaining to, among other things, the intellectual/industrial property rights) and hereby also grants an irrevocable power of attorney to the Buyer to draw up and sign such instruments on its behalf. If the Goods consist of the development/modification of software, the Seller shall, at the Buyer's first request, provide the Buyer at no extra cost with the object code, the source code and all related documentation. All this shall be made available in such a way that the Buyer can use it effectively without further efforts being required.
- 3.3 The Seller shall comply with all applicable regulations, safety standards, and all other legal requirements concerning the design, manufacture, delivery and commissioning of the Goods and warrants that at all times it shall have (and maintain) all licences, permissions, authorisations, consents and permits necessary for it to supply the Goods to the Buyer free from any restrictions.
- 3.4 The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods at the premises of the Seller or at any other location prior to despatch and, upon request, shall provide the Buyer with reasonable facilities for inspection and testing. Notwithstanding inspection or testing, the Seller shall remain fully responsible for the Goods and any inspection or testing shall not diminish or otherwise affect the Seller's obligations under the Contract.
- 3.5 If upon inspection or testing of the Goods the Buyer is not satisfied that the Goods comply or will comply in all respects with the Contract, and the Buyer so informs the Seller within 14 days of inspection or testing, the Seller shall immediately take such steps as are necessary to ensure that the Goods comply in all respects with the

Contract. The Buyer shall have the right to conduct further inspections and tests after the Seller has carried out any remedial action.

- 3.6 The Seller shall ensure that the Goods shall be marked in accordance with the Buyer's instructions and are properly packed and secured so as to reach their destination in an undamaged condition.
- 3.7 The Seller shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives relating to the Goods which are of a confidential nature and have been disclosed to the Seller by or on behalf of the Buyer and any other confidential information concerning the Buyer's business, its customers or its products which the Seller may obtain in any way. Without prejudice to the foregoing, the Seller shall not disclose to any third party or use the Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required by law or for the purpose of the Contract. The Seller shall not dispose of the Buyer's property other than in accordance with the Buyer's written instructions.

4. PRICE OF GOODS

- 4.1 The Price shall be as stated in the Order or as otherwise agreed in writing between the Seller and the Buyer and, unless otherwise so stated, shall be:
 - 4.1.1 exclusive of any applicable Value Added Tax (which shall be payable by the Buyer subject to receipt of a valid VAT invoice); and
 - 4.1.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imports or levies other than Value Added Tax.
- 4.2 If the Seller seeks to impose an increase in the Price or the Price is not otherwise agreed between the Seller and the Buyer, the Buyer may, without liability, terminate and/or cancel the Order and/or the Contract.

5. TERMS OF PAYMENT

- 5.1 The Seller shall be entitled to invoice the Buyer on or at any time after delivery or where appropriate, commissioning of the Goods.
- 5.2 The applicable payment period shall be set forth in the Order. The parties agree that such payment period is fair taking into account the commercial needs of both parties.
- 5.3 The Buyer may refuse to make payment in respect of any invoice which does not clearly identify the Buyer's relevant Order and the specific Goods for which payment is claimed.
- 5.4 Without prejudice to its other rights and remedies, the Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.
- 5.5 Payment by the Buyer shall not constitute an acknowledgment that the Goods comply with the Contract.
- 5.6 If the Buyer fails to pay any amount due and payable by it under the Contract, the Seller shall have the right to charge interest on the overdue amount at the rate of 4 per cent per annum above the base rate of the Bank of England accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment. This clause shall not apply to payments that the Buyer disputes in good faith.

6. DELIVERY

- 6.1 The Goods shall be delivered to the Delivery Address on the date(s) stated in the Order during the Buyer's usual business hours. Unless otherwise agreed by the Buyer and the Seller, the Seller will be responsible for off-loading the Goods.
- 6.2 Where the date for delivery of the Goods is to be specified after the placing of the Order, the Seller shall give the Buyer at least 5 days prior written notice of the delivery date.
- 6.3 The time for delivery of the Goods is of the essence of the Contract. The Seller must notify the Buyer immediately if it cannot supply on time, and must take every possible step to supply to the original date or any earlier or later date agreed to by Buyer.
- 6.4 If the Goods are to be delivered by instalments, the Contract will be treated as a single contract and not severable. Failure by the Seller to deliver or perform any one instalment on time or at all or any defect in an instalment shall entitle the Buyer to the remedies in clause 6.8.1 to 6.8.5 (inclusive).
- 6.5 The Buyer shall be entitled to reject any Goods which do not comply with the Order and/or Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent.
- 6.6 The Seller shall supply the Buyer with all information required to enable the Buyer to properly consider acceptance of the Goods. This shall include without limitation (a) the date of the Order, (b) the Order Number, (c) instructions to enable the Buyer to properly store the Goods, and (d) if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered.
- 6.7 The Buyer shall not be obliged to return to the Seller any packaging or packing materials for the Goods.
- 6.8 If the Goods are not delivered on the due date then, without prejudice to the Buyer's other rights and remedies, the Buyer shall be entitled, without liability, to exercise any one or more of the following:
 - 6.8.1 deduct from the Price or, if the Buyer has paid the Price, to claim from the Seller, by way of liquidated damages for delay 5 percent of the Price for every week's delay, up to a maximum of 25 percent of the total price of the Goods;
 - 6.8.2 cancel the Contract in whole or in part;
 - 6.8.3 refuse to accept any subsequent delivery of the Goods which the Seller attempts to make;
 - 6.8.4 recover from the Seller any expenditure incurred by the Buyer in obtaining substitute goods from a third party; and/or
 - 6.8.5 claim damages for any additional costs, losses or expenses incurred by the Buyer which are attributable to the Seller's failure to deliver the Goods on the due date.

- 6.9 If the Goods are delivered to the Buyer in excess of the quantities ordered the Buyer shall not be bound to pay for the excess and any excess shall be and remain at the Seller's risk and shall be returnable at the Seller's expense.
- 6.10 Where delivery is effected by a carrier then such carrier shall be deemed to be the responsibility/agent of the Seller.

7. RISK AND PROPERTY

- 7.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon completion of delivery of the Goods (including off-loading) or, where appropriate, commissioning in accordance with the Contract.
- 7.2 Ownership of the Goods shall pass to the Buyer upon delivery of the Goods, unless payment for the Goods is made prior to delivery, when ownership shall pass to the Buyer upon payment but risk stays with the Seller until delivery in accordance with condition 7.1.

8. WARRANTIES AND LIABILITY

- 8.1 The Buyer's rights under these Conditions are in addition to any conditions implied in the Buyer's favour by the Sale of Goods Act 1979 or any other statute or common law in force from time to time.
- 8.2 Without prejudice to condition 8.1, the Seller warrants to the Buyer that the Goods:
- 8.2.1 will be of merchantable quality and fit for any purpose held out by the Seller or made known to the Seller expressly or by implication at the time the Order is placed (or for such purpose agreed by the Buyer and the Seller after the Order is placed);
- 8.2.2 will be free from defects in design, material and workmanship and will remain so for a period of 12 months after delivery. Any acceptance of late, incomplete, or defective deliveries or payment of invoices shall not constitute any waiver of any warranty claim;
- 8.2.3 will comply with the Order and will correspond with any relevant Specification or sample;
- 8.2.4 will comply with and conform to any and all applicable laws, codes of practice, rules, guidance, decisions, regulations, orders, rules of court, bye-laws, directives, statutes, statutory instruments, standards, codes of conduct or other instruments having the force of law in England and Wales from time to time relating to the design, manufacture, labelling, packaging, storage, handling, delivery, commissioning, sale or provision of the Goods; and
- 8.2.5 will be in accordance with all relevant standards including the relevant engineering and safety standards of the Buyer.
- 8.3 The Seller warrants to the Buyer that any services provided under the Contract will be performed by appropriately qualified and trained personnel, with due care and diligence and to a high standard of quality as it is reasonable for the Buyer to expect in all the circumstances.
- 8.4 Without prejudice to any other remedy, if any Goods are not supplied in accordance with the Contract, then the Buyer shall be entitled, without liability, to exercise any one or more of the following:
- 8.4.1 to terminate the Contract with immediate effect by giving written notice to the Seller;
- 8.4.2 to reject the Goods (in whole or in part) whether or not title has passed and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;
- 8.4.3 to refuse to accept any further deliveries of the Goods;
- 8.4.4 to require the Seller to repair the Goods or to supply replacement goods in accordance with the Contract without delay;
- 8.4.5 whether or not the Buyer has previously required the Seller to repair the Goods or supply replacement Goods, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid;
- 8.4.6 to claim damages for any additional costs, losses or expenses incurred by the Buyer which are attributable to the Seller's failure to supply the Goods in accordance with this Contract; and/or
- 8.4.7 to recover from the Seller any expenditure incurred by the Buyer in obtaining substitute goods from a third party.
- 8.5 The Seller shall indemnify the Buyer in full on demand on a £1 for £1 basis against any and all direct, indirect or consequential liabilities (all three of which include loss of profit, loss of business or orders, depletion of goodwill and like loss, missed savings and damage due to production and/or business interruption), loss, damages, injury, costs, fines, interests and expenses (including legal and other professional fees and expenses) awarded against, suffered, incurred or paid by the Buyer as a result of or in connection with:
- 8.5.1 breach of any express or implied warranty given by the Seller in relation to the Goods;
- 8.5.2 the non-compliance of the Goods with any applicable law;
- 8.5.3 any claim from a third party in relation to the Goods;
- 8.5.4 any claim or allegation that the Goods infringe, or their importation, use, manufacture or resale infringes the intellectual property rights of any other person (except to the extent a claim arises from compliance with any Specification supplied by the Buyer);
- 8.5.5 any liability under the Consumer Protection Act 1987 in respect of the Goods;
- 8.5.6 any act or omission of the Seller and/or its employees, agents or sub-contractors in supplying, delivering and/or commissioning the Goods; and/or
- 8.5.7 without prejudice to the foregoing, any other claim made against the Buyer in respect of any liability, loss, damage, injury, cost or expense sustained by the Buyer's employees, agents or sub-contractors or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Seller.
- 8.6 The Seller must have and maintain both during the term of the Contract and for a period of two years after delivery of the Goods, insurance cover with a reputable insurer sufficient to cover any and all loss or costs that may be incurred and/or for which the Seller is liable in connection with the supply of the Goods, including, as appropriate, Product Liability, Public Liability and Professional Indemnity. The Seller must provide evidence of such insurance upon request from the Buyer from time to time.

- 8.7 Neither the Seller nor the Buyer shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods if the delay or failure was beyond that party's reasonable control. If the Seller suspends the performance of its obligations for more than 7 business days, the Buyer shall have the right, without limiting its other rights or remedies, to terminate this Contract, without liability, with immediate effect by giving written notice to the Seller. Circumstances that shall in any event be for the risk and account of the Seller include, without limitation, strikes, lockouts, labour shortages, normal absenteeism, raw material shortages, transport problems and production failure on the part of the Seller.

- 8.8 In the event of repair or replacement during the warranty period, the warranty period for the repaired or replaced Goods and for all Goods that were not usable as a result of the defect shall recommence from the time that the Goods in question were put into use after the repair or replacement.

- 8.9 No exclusion in the Seller's liability can be opposed to the Buyer.

9. TERMINATION

- 9.1 The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods by giving notice to the Seller at any time prior to delivery in which event the Seller shall discontinue any further work on the Order and the Buyer's sole liability shall be to pay to the Seller the Price for the Goods in respect of which the Buyer has exercised its right of cancellation, less the Seller's net saving of cost arising from cancellation.
- 9.2 Without prejudice to its other rights and remedies, the Buyer shall be entitled to terminate, without liability, the Contract in whole or in part by the Buyer giving notice to the Seller at any time if:
- 9.2.1 the Seller (depending on his/its status) dies, has a bankruptcy order made against him or makes an arrangement or composition with his/its creditors, or takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed over its undertaking or any part thereof, or documents are filed at court for the appointment of an administrator of the Seller or notice of intention to appoint an administrator is given by the Seller or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding-up of the Seller or for the grant of an administration order in respect of the Seller, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller; or
- 9.2.2 the Seller (depending on his/its status) suffers or allows any execution, whether legal or equitable, to be levied on his/its property or obtained against him/it, or the Seller is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or ceases, or threatens to cease, to carry on business; or
- 9.2.3 the Seller fails to observe or perform any of his/its obligations under the Contract or these Conditions or any other contract between the Seller and the Buyer;
- 9.2.4 the Seller undergoes a change of control where the entity acquiring control is a competitor of the Buyer and for the purposes of this clause "control" shall have the meaning given in section 1124, Corporation Tax Act 2010; or
- 9.2.5 the Buyer reasonably believes that any of the events mentioned in this condition 9 is about to occur.

10. NOTICES

- 10.1 This condition 10 shall not apply to the service of any proceedings or other documents in any legal action.
- 10.2 Notices and communications served in respect of the Contract shall be in writing and:
- 10.2.1 addressed to the registered office or the principal place of business of the notified party or to a fax number or email address notified by a party to the other for the purpose of the service of such notices and communications;
- 10.2.2 delivered in person, by registered post, by facsimile message or by email;
- 10.2.3 deemed served (i) where delivered personally upon delivery, (ii) where delivered by registered post at the time reported by the relevant postal agent or 2 days after dispatch, whichever comes earlier, (iii) where delivered by facsimile message at the time shown on the sender's written 'message sent' confirmation and (iv) where delivered by email and provided no 'message undelivered' email is received by the sender before being deemed to have been served, the earlier of (a) receipt of a delivery confirmation email, (b) receipt of an acknowledgement from the recipient and (c) one Business Day (being a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business) of being sent.

11. GENERAL

- 11.1 The Buyer may at any time assign, transfer, charge, sub-contract or deal in any other manner with any or all of its rights or obligations under the Contract.
- 11.2 The Contract is personal to the Seller and the Seller shall not assign, sub-contract or otherwise dispose of or deal with any of its rights or obligations under the Contract.
- 11.3 No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 11.4 Each right or remedy of the Buyer under the Contract is without prejudice to any other right or remedy of the Buyer whether under the Contract or otherwise.
- 11.5 If any provision of the Contract is found by any court or other body of competent jurisdiction to be wholly or partly illegal, invalid, voidable, unenforceable or unreasonable, it shall to the extent of such illegality, invalidity, voidness, unenforceability or unreasonableness be deemed severable and the remaining provisions of such provision and the Contract shall continue in full force and effect.
- 11.6 Clauses which expressly or by implication survive termination of this Contract or delivery of the Goods pursuant to the relevant Order shall continue in full force and effect.
- 11.7 The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply.
- 11.8 The Contract, the Order and the relationship between the Buyer and the Seller shall be governed by the laws of England and Wales and the parties hereby submit to the exclusive jurisdiction of the Courts of England and Wales.