

GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS / SERVICES

Ball Packaging Europe Belgrade d.o.o., Batajnički drum 21A, 11080 Belgrade

1. Scope of General Terms and Conditions

These General Terms and Conditions (the "GT&C") shall apply to the purchase of all goods and/or services ("Goods and/or Services") referenced by the Purchaser in the Purchase Order (the "PO", contract for purchase of such Goods and/or Services the "Contract"). In case of conflict, any conditions set out in the PO and in any attached specification shall take precedence. The terms and conditions the Seller may purport to impose which are contrary to or deviate from these GT&C or any related PO shall not apply, unless agreed explicitly in writing and signed by a person authorised to sign on behalf of the Purchaser. The signing of the Seller's delivery documentation or payment of any invoice shall not imply modification of these GT&C. These GT&C shall apply in the version applicable at the date the respective Contract is concluded, as may be amended from time to time.

2. Quotation, Business Secrets

The PO shall be governed solely by these GT&C. The PO may be cancelled at any time prior to expiry of 3 working days from the receipt of the PO by the Seller or written confirmation thereof. The PO shall be deemed accepted if the rejection thereof is not received by the Purchaser within 3 working days upon receipt by the Seller. The Seller is obligated to clearly show the PO number on all delivery notes and other correspondence relating to the Contract.

Drawings, tools, samples, models, or the like which are made available to the Seller remain the property of the Purchase. The Seller may use them exclusively for manufacturing or implementing the Goods and/or Services and may not make them available to any third party without the Purchaser's prior written consent. The Seller is obligated to keep these safe with the care and diligence of the prudent businessman and return these items at his expense after the contract has been fully performed without being asked to do so.

The Seller shall treat the PO and all related commercial and technical details as business secrets. The obligation to confidentiality shall extend after the Contract has been completed and then it shall expire when and to the extent that the disclosed details have become general knowledge.

3. Delivery Provisions

Delivery shall be made to the Purchaser's address on the date set out in the PO during normal business hours ("**Delivery Date**"). The Delivery Date shall be binding. If delays are expected the Seller is obligated to notify the Purchaser in writing as soon as is reasonably practical, stating when it is likely that it will be able to fulfil its obligations. Upon receiving notification the Purchaser may terminate the Contract.

The Seller is obligated to include the delivery note with any manual or instruction, drawings, guidelines and schedules etc. needed for safe and proper operating with each delivery.. The delivery shall be in compliance with all pertaining legal or administrative requirements and recommendations in force and applicable industry and security standards.

Where relevant, the Seller shall obtain any export licenses, certificates of origin and any other governmental authorisations or other necessary documentation prior to the delivery.

The Seller is obligated to pack the Goods so as to be protected before, during and immediately after delivery. Packaging material shall be taken back by the Seller at his expense. The Seller shall bear all the costs that arise from the non compliance with the delivery provisions.

The Seller shall pay a contractual penalty of 0.5 % of the purchase price for each started calendar day of delay beyond the Delivery Date, but no more than 10% of the purchase price. The Purchaser reserves the right to claim for any damages exceeding the amount of contractual penalty.

4. Acceptance

Acceptance by the Purchaser shall be recorded on the delivery note to be signed by the authorised employee of the Purchaser at the place specified in the PO and in the acceptance report to be signed by both parties (the "**Acceptance Report**") (unless the Acceptance Report is not required under the Contract), i.e. in the written acceptance of Seller rectification of any non conformities, following the handover on the Delivery Date.

The Purchaser shall not obliged to accept or pay for Goods and/or Services less than covered by a Contract and may terminate it in whole. The Purchaser shall not be deemed to have accepted for Goods/Services in excess of quantity set out in the Contract unless it does so explicitly and in writing.

5. Passing of the title

Title and the risk to the Goods and/or Services shall be transferred from the Seller to the Purchaser on acceptance.

The Seller represents and guarantees that the Goods and/or Services do not in any way infringe the rights of any third parties or that the third parties have any claim with respect to the Goods and/or Services.

6. Warranty/ Inspection for defects

In addition to any guarantee which may be applied under the law by extension or implication, the Seller guarantees that the Goods and/or Services shall be delivered in all respects in accordance with the Contract, free of all defects in design, material and workmanship, properly packed, fit for the purpose, conformingly with the description and specifications set forth in the Contract, statements, brochures or any other reference to the performance of the Goods and/or Services which the Purchaser may rely upon and match the quality of any sample approved by the Purchaser.

The Seller guarantees that its obligations will be performed by appropriately qualified and trained personnel, with due care and diligence and to such standards of quality as are reasonable for the Purchaser to expect in all circumstances.

The Purchaser shall inspect the Goods and/or Services for any quality and quantity non-conformity as soon as practically possible and inform the Seller of any defects discovered without delay.

Upon the Purchaser's written request the Seller shall rectify without delay and free of charge any defects reported during the warranty period. If the Seller fails to comply with Purchaser's request without delay, the Purchaser shall have the right to rectify defects, or have defects rectified at the Seller's cost.

To avoid interruption of working process, the Purchaser is entitled to eliminate minor defects the cost of which shall not exceed 5% of the purchase price at the Seller's expense without prior request.

The Seller's warranty obligation shall not be affected by remedial action which may be carried out by the Purchaser in line with the provisions of this section.

The warranty period shall be 2 years, unless otherwise agreed in the Contract, starting from the date of delivery.

7. Industrial Property Rights ("IPR")

It is the Seller's responsibility to ensure that the Goods and/or Services do not infringe patents or any other industrial property rights of third parties by his supply and the use thereof by the Purchaser and undertakes to indemnify and hold the Purchaser harmless against any such claims of the third parties upon the Purchaser's first request to this effect.

The Seller's obligation to indemnify the Purchaser shall include all expenses arising to the Purchaser through or in relation with the claim raised by such third party.

8. Purchase Price / Invoice / Terms of Payment

The purchase price shall be binding (save for any discounts or other reductions that are to be given retrospectively by the Seller), inclusive of the costs of transport, packaging, any equipment required for proper unloading of the Goods and/or Services and all dues and taxes save for VAT.

Unless otherwise agreed in writing, a separate invoice shall be rendered against each Contract.

Invoice shall state the PO number and, where it has one, the Seller's unique supplier reference number. Invoice shall be clearly addressed to "Accounts Payable" at the address of the Purchaser in the PO. The Purchaser will accept no liability for the invoices which do not comply with these requirements.

If not otherwise agreed in the Contract, payment shall be made within 30 days after the end of the month in which the respective invoice is issued always provided that the Seller shall not issue an invoice before the Goods and/or Services are accepted by the Purchaser, unless otherwise agreed in writing.

The Seller agrees that it is performing the Contract as the sole contractor and retains any liability for the payments due to its subcontractors pursuant to art 11 hereof. Notwithstanding the foregoing, any payments by the Seller shall be conditional upon receiving Purchaser's written confirmation that the subcontractors have received their due payments.

9. Set-off

The Purchaser is free to set off claims including any invoice amount according to the Contract, even if it is the final invoice amount, to the legally permitted extent by notifying the Seller in writing on (i) the Purchaser's intention to off-set and (ii) the off-set amounts.

10. Elimination of defects after expiration of the warranty period

The Seller undertakes to eliminate any defects, which may occur after expiration of the warranty period, and to continue to supply the required spare parts for a period of 5 years after expiration of the warranty period at the reasonable prices in proportion to the prices calculated in the Contract.

11. Liability

The Seller shall indemnify the Purchaser for all losses, liabilities, expenses and damages (whether direct or consequential including loss of profit) arising from or in connection with the Seller's breach of the Contract or any negligence or other default by itself, its agents or employees.

Seller shall be required to inform the Purchaser in writing of the names of all subcontractors involved in the supply of Goods/Services prior to commencement of the supply thereof. Subcontractors that the Purchaser rejects as incompetent or unsuitable may not be engaged and if at any point the Seller should wish to

replace the approved or introduce new subcontractors it may do so only upon Purchaser's prior written approval.

Nothing in these GT&C shall be construed or have effect as constituting a relationship between the Purchaser and subcontractors engaged in accordance with the paragraph 2 hereof.

12. Seller's breach and Purchaser rights

In case of failure by the Seller to deliver the Goods/Services that are in accordance with the Contract or otherwise to comply with the provisions thereof, in addition to any other right it may have, the Purchaser may at his discretion use any of the following rights:

- (i) Return faulty or defective Goods for repair or replacement by and at the expense of the Seller within the period determined by the Purchaser;
- (ii) Request from the Seller a decrease in the purchase price;
- (iii) Request for the compensation of damages for delay, anticipated delay, non-compliant delivery, partial delivery or non-delivery of Goods and/or Services hereof and in other cases provided for under the Contract and the law
- (iv) Terminate the Contract;

If the Purchaser elects to exercise its right under (i) and (iv) the Seller shall within of reasonable time period make arrangements to have the rejected Goods returned at the Seller's expense

The Seller shall be responsible for the costs of any dismantling, removal and reinstallation necessary to remove any rejected Goods and/or Services and making good any damage or loss caused by such works.

13. Breach and Suspension

In case of breach of Contract by either of the parties, the other party may terminate the Contract: (i) If there is a breach of the Contract by the other party which has not been remedied within 14 days of being given notice to do so; (ii) If the party is repeatedly in breach of the Contract and having been given notice that any further breach may result in termination, is in breach again; (iii) If the other party becomes insolvent, commences bankruptcy or winding up proceedings or suffers such proceedings to be commenced or otherwise ceases or threatens to cease to carry on business.

If either party is, or anticipates being, prevented from complying with its obligations by vis major circumstances, it shall immediately notify the other in writing. The Contract will be suspended immediately on the giving of this notice and if performance is not resumed within 14 calendar days, the other party may in writing terminate the Contract.

On termination of the Contract, the Seller will refund advance payments for Goods and Services not yet supplied. On request, on termination, or at any other time, each party will return any property belonging to the other.

14. Notices

Any notices to the Purchaser shall be submitted to:

Ball Packaging Europe Belgrade d.o.o.
Finance Department
Batajnički drum 21A
11080 Beograd

15. Amendments

Changes and additions to these GT&C shall be valid only if made in writing and signed by a person authorised to sign on behalf of the Purchaser. A waiver of this requirement shall only be valid if made in writing and signed by a person authorised to sign on behalf of the Purchaser.

16. Severability

Should any provision of these GT&C be or become invalid or should these GT&C turn out to be incomplete in any way, the validity of the remaining provisions of these GT&C shall not be affected. In such case, the Seller and the Purchaser will try to agree provisions that reflect the economic purpose of the invalid provision to the largest possible extent.

17. Insurance

Where requested by the Purchaser providers of Services are to provide evidence of appropriate employee and third party liability insurance to the Purchaser and providers of Goods shall be maintaining product liability insurance with the coverage to be notified by the Purchaser.

18. Assignment

The Seller may not assign the Contract in whole or in part including any claims without the prior written consent of the Purchaser.

19. No waiver

No waiver or forbearance or indulgence by the Purchaser of any breach of these by the Seller shall prejudice the Purchaser's rights or be considered a waiver of that breach or of any subsequent breach by the Seller.

The Purchaser shall not be liable for any failure to take or make use of the Goods and/or Services or for any delay in taking or making use of the same which is due wholly or partially to any event beyond the reasonable control of the Purchaser.

20. Applicable Law and Place of Jurisdiction

This agreement shall be governed by the laws of the Republic of Serbia without giving effect to the UN Convention on the Sale of Goods. Any dispute arising out of or in connection with this agreement shall be exclusively and finally settled by the Commercial Court in Belgrade.