

GENERAL TERMS AND CONDITIONS

1. Introductory Provisions

The General Terms and Conditions (hereinafter referred to as the “GTC”) of OTK printing & packaging a.s., with its registered office at Plynářská 233, 280 02 Kolín, Company Identification No.: 17100950, registered in the Commercial Register maintained by the Municipal Court in Prague, File No. B 27253 (hereinafter referred to as the “Supplier”), form an integral part of any purchase agreement or binding order concluded between the Supplier on the one hand and the purchaser on the other hand (hereinafter referred to as the “Purchaser”).

These GTC apply to all printing products manufactured by OTK printing & packaging a.s. (hereinafter referred to as the “Goods”).

2. Time of Performance

The time of performance shall be determined in accordance with the Supplier’s technological capabilities and production capacity, in agreement with the Purchaser. The Purchaser shall provide the Supplier with all necessary cooperation in connection with the submission of production documentation, approval of proofs and samples, as well as in connection with the collection of the Goods. The delivery date shall be specified in the purchase agreement; however, the Supplier shall determine the specific date of performance within the agreed delivery period.

If the agreed delivery date is not met, the Supplier shall be entitled to deliver the Goods even after the expiry of the originally agreed delivery period. The Supplier shall discuss the new delivery date with the Purchaser without undue delay.

If the delivery date is not met for reasons attributable to the Purchaser (e.g. delayed submission of production documentation, delayed return of proofs, or other insufficient cooperation with the Supplier), the delivery period shall be extended by a period agreed by the parties, but in any event at least by the duration of the Purchaser’s delay.

3. Delivery

a) The Goods shall be dispatched by the Supplier through a carrier (for the purposes hereof, a carrier shall mean a natural or legal person whose business activity consists of the provision of transport or postal services). The Goods shall be dispatched to the destinations specified in the purchase agreement and shall be deemed delivered at the moment the Goods are placed at the designated place of unloading in accordance with Incoterms® 2020 DAP.

b) If personal collection of the Goods is agreed, the Goods shall be deemed delivered upon handover to the Purchaser, a person designated by the Purchaser, or the Purchaser’s first carrier at the Supplier’s business premises from which the dispatch is made, in accordance with Incoterms® 2020 FCA Supplier’s address. If the Purchaser fails to arrange for collection of the Goods within 3 working days from delivery of the written notice, the Supplier shall be entitled to charge, and the Purchaser shall be obliged to pay, storage fees in the amount of CZK 50 per pallet per day (including any commenced day), or the Supplier may, at its sole discretion, dispatch the Goods to the Purchaser’s place of business or registered office at the Purchaser’s expense and risk, and the Purchaser shall be obliged to accept such Goods.

c) The Supplier shall be entitled to deliver the Goods specified in the purchase agreement with a quantity deviation of $\pm 10\%$ of the agreed quantity. If the Supplier delivers a smaller quantity of the Goods than agreed in the purchase agreement, but within a tolerance of 10% of the agreed quantity, the Supplier’s obligation to deliver the Goods shall be deemed duly fulfilled and, unless otherwise agreed in writing with the Supplier, the Purchaser shall not be entitled to claim delivery of the missing quantity. The Purchaser shall be obliged to pay the purchase price corresponding to the quantity of the Goods actually delivered. If the Supplier delivers a larger quantity of the Goods than agreed in the purchase agreement, but within a tolerance of 10% of the agreed quantity, the Purchaser shall be obliged to accept such delivery and to pay the purchase price for the excess quantity at the unit price specified in the purchase agreement.

4. Transfer of Title to the Goods

Title to the Goods that are the subject of sale under the purchase agreement shall pass to the Purchaser only upon full payment of the purchase price for such Goods as agreed in the purchase agreement. The risk of damage to the Goods shall pass to the Purchaser upon delivery of the Goods in accordance with Article 3 of these GTC.

5. Price of the Goods

The Purchaser shall bear the costs associated with production preparation, including in particular the costs of printing plates, screens, embossing tools and cutting dies. Such items shall remain the property of the Purchaser, and the Supplier shall store them for a period of 12 months from the last production run of the relevant product for potential further use. If the Purchaser does not collect such items within 14 months from the last production run of the relevant product, the Supplier shall be entitled to dispose of them at its sole discretion, including by way of destruction, without prior notice to the Purchaser.

For specific input materials that are not part of the Supplier’s standard product range, the manufacturer of such materials may impose a minimum purchase requirement. If the production of a particular product requires the use of non-standard material, the Supplier shall inform the Purchaser of this fact in advance.

Upon the first production of such product, the Purchaser shall be obliged to pay the full value of the entire quantity of the material purchased. The Supplier shall store the unused portion of such material at its own expense for a period of 6 months from the date of the first production and shall allow its use in subsequent orders of the same product.

In the case of repeated production, the corresponding proportionate part of the value of the previously paid material shall be deducted from the production price. If no further production takes place within the above-mentioned six-month period, the Supplier shall be entitled to dispose of the unused portion of the material at its sole discretion, including its destruction, without any obligation to provide further notice to the Purchaser.

The price of the Goods shall be determined either by the applicable price list issued by the Supplier for a particular range of products and valid for the relevant period, or shall be agreed directly in the purchase agreement.

The purchase price agreed may be unilaterally adjusted by the Supplier in response to an increase in production costs resulting from increases in the prices of material and energy inputs, transport costs, insurance costs, or changes in exchange rates.

The price does not include transport costs and does not include the cost of transport pallets and packaging boards. Such transport pallets and packaging boards shall be invoiced to the Purchaser separately.

6. Accompanying Documents

The Supplier shall dispatch a delivery note together with the Goods, which shall include the Purchaser's identification, the type of Goods, the quantity of Goods and details of any packaging charged. In the case of personal collection by the Purchaser, the Supplier shall hand over the delivery note to the Purchaser together with the Goods; this shall not apply if the Purchaser fails to collect the Goods within 3 days of delivery of the written notice pursuant to Article 3 of these GTC. The Purchaser shall confirm delivery of the Goods on the delivery note by a legible signature together with its company stamp.

7. Invoicing and Payment Terms

- a) The price of the Goods, as well as the price of transport pallets, packaging boards and transport costs, shall be invoiced by the Supplier to the Purchaser without undue delay after delivery of the Goods; in the case of transport costs, without undue delay after the actual costs incurred by the Supplier have been determined.
- b) The invoice shall be due within 30 days from the date of its issue. In the event of late payment, the Purchaser shall be obliged to pay default interest in the amount of 0.05% (five hundredths of one percent) of the outstanding amount for each day of delay.
- c) If the agreed quantity of the Goods is delivered in several shipments, each shipment may be invoiced separately. The invoice shall contain:
 - the invoice identification and number
 - basic identification details of the Supplier and the Purchaser, including their bank details
 - the subject matter of the delivery and the date of delivery
 - the date of issue of the invoice and the due date
 - the unit price of the Goods
 - details of the quantity, type and price of the delivery
 - the price of packaging
 - the total invoiced amount and VAT particulars
 - other technical details of the Supplier.

8. Quality of the Goods

The Goods shall be manufactured in accordance with the Supplier's relevant internal standard and quality management system and shall correspond to the usual quality consistent with the processing technology used, the agreed materials and the quality of the production documentation supplied by the Purchaser. The binding criterion for assessing both the substantive (textual) and formal correctness (layout, colour, etc.) of the Goods shall be the page proof approved by the Purchaser's signature (imprimatur). The Supplier shall not be liable for any deficiencies or errors left uncorrected by the Purchaser in the approved proof.

9. Packaging

The specific method of packaging shall be specified in the purchase agreement. If the method of packaging is not agreed in the purchase agreement, the Supplier shall be entitled to determine the packaging method, taking into account the nature of the Goods supplied.

10. Pallet and Board Handling

Upon delivery of the Goods on pallets, the Supplier shall be entitled to charge the Purchaser CZK 235 per EURO pallet and CZK 150 per reusable pallet, per unit, excluding VAT. The Purchaser shall be obliged to pay for such packaging. The Purchaser shall be entitled to return EURO pallets of A quality to the Supplier at its own expense no later than 3 months from delivery of the Goods. The Purchaser shall be entitled to invoice such returned pallets at the above-mentioned prices. Payment of the invoice for such returned, undamaged EURO pallets of A quality shall be made by the Supplier within 14 days from their actual physical receipt.

11. Obligations of the Purchaser upon Receipt of the Shipment

The Purchaser shall inspect the Goods upon receipt at the Supplier's warehouse (if the Purchaser arranges transport itself) or upon receipt from the carrier (if the Goods are dispatched by the Supplier). Any defects discovered during such inspection, or which could have been discovered with due care, shall be notified to the Supplier by means of a written complaint dispatched no later than 15 days after receipt of the Goods, and the Purchaser shall be obliged to substantiate the existence of such defects. The Purchaser shall be responsible towards the Supplier for

compliance with all conditions and requirements imposed on the recipient of the shipment by the applicable regulations governing the transport of goods. If the Purchaser fails to notify the Supplier of apparent defects within the above-mentioned period, the Purchaser shall forfeit all rights against the Supplier arising from liability for such defects and for any damage related thereto.

12. Quality Warranty Period

a) The quality warranty period for the Goods shall be 6 months from the date of receipt of the Goods by the Purchaser, provided that the Purchaser stores the Goods in such a manner that they are not exposed to direct sunlight or contamination and complies with the following storage conditions for the respective product groups:

- Graphic labels: temperature 18–20 °C, humidity 50–60%
- Flexible packaging: temperature 20–25 °C, humidity 40–50%
- Self-adhesive labels: temperature 20–25 °C, humidity 40–50%
- Shrink sleeves: temperature 20–25 °C, humidity 45–55%
- IML labels: temperature 20–25 °C, humidity 40–50%

b) The Supplier shall not be liable under the quality warranty for defects caused, after the transfer of the risk of damage to the Goods, by external events or by the carrier.

c) The Purchaser shall notify the Supplier in writing of any defects discovered during the warranty period, always specifying how the defects manifest themselves and describing them in detail. The complaint must be delivered to the Supplier within the warranty period; otherwise, all rights of the Purchaser arising from liability for defects and related damage shall lapse.

d) In the event of a complaint concerning the Goods raised by the Purchaser, the Supplier shall decide on the further procedure and determine whether and in what manner the complained Goods shall be withdrawn. The Purchaser shall not be entitled to dispose of the complained Goods without the Supplier's prior written consent.

13. Defect Tolerance

a) The Parties agree that, with respect to deliveries of the Goods, a manufacturing defect tolerance of up to 2% of the total quantity of Goods delivered in a single delivery shall be permissible. Goods with defects falling within this tolerance shall not be considered defective performance and shall not give rise to any rights arising from defective performance, including any right to a price reduction or compensation for damage.

b) Defective items exceeding the agreed tolerance shall be considered defects of the Goods, and the Purchaser shall be entitled to assert claims in the usual manner.

c) This agreement on defect tolerance is based on normal manufacturing variations in series production and corresponds to the nature and scope of the agreed deliveries.

14. Claims Arising from Defects of the Goods

a) Claims arising from liability for defects of the Goods shall be governed by Sections 2099 to 2111 of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "Civil Code"). A breach of contract shall be deemed material if the defects of the Goods completely prevent the product from being used in the usual and customary manner; other defects shall be considered non-material breaches of contract. If the Purchaser claims a price reduction, such reduction may be set off against any claim for damages incurred by the Purchaser.

b) Unless otherwise provided in the purchase agreement or these GTC, the Supplier shall be liable only for damage or loss demonstrably caused by a gross breach of obligations arising from the purchase agreement and these GTC, provided that such breach resulted from intentional misconduct or gross negligence on the part of the Supplier's employees or representatives. The Supplier's liability shall in any case be limited to the purchase price of the Goods agreed in the purchase agreement. The Supplier shall not be liable for unforeseeable, indirect (including damage to or destruction of tangible property that was not the subject of the delivery) or consequential damage (including loss of profit), nor for damage incurred by the Purchaser as a result of claims asserted by third parties, even if the Supplier had been advised of the possibility of such damage.

15. Documentation and Cooperation of the Purchaser

a) The Purchaser shall submit production documentation in the required quality, scope and within the deadlines specified by the Supplier. The production documentation shall remain the property of the Purchaser and shall be provided to the Supplier free of charge. The Purchaser may request its return within 6 months from the date of delivery of the Goods.

b) If the Purchaser does not expressly request its return in writing within this period, the Supplier shall be entitled to dispose of such documentation at its sole discretion, including its destruction. The purchase agreement may provide for further details or deviations from this provision.

c) The Supplier reserves the right to return non-processable originals supplied by the Purchaser (such as creased, torn or illegible proofs, samples of labels or packaging, or otherwise defective production documentation insufficient for the Supplier's manufacturing process). In such case, the Supplier shall be entitled to amend the originally agreed delivery date by a period at least corresponding to the time between the return of the defective production documentation to the Purchaser and the receipt by the Supplier of production documentation suitable for preparing the author's proof. The final delivery date shall be approved and confirmed only upon receipt of the author's proof approved by the Purchaser. The Supplier undertakes to process the author's proof as soon as possible, subject to its production capacity, and to inform the Purchaser of the date of its receipt.

d) Reduced quality of production documentation supplied by the Purchaser may reasonably affect the quality of the Goods. Such deficiency shall not be considered defective production. Before commencement of printing, the Supplier shall, at the Purchaser's request, send the relevant production documentation to the Purchaser for proofreading. The Purchaser shall carry out the proofreading and return the approved proof, or

the proof marked with corrections, within the deadline specified by the Supplier. The approved proof must bear the Purchaser's stamp, date and signature.

e) Upon written request sent by the Purchaser by registered letter, the Supplier shall allow the Purchaser to verify how the corrections marked during proofreading were implemented.

f) If the Goods are manufactured in accordance with a "cromalin" or print sample approved by the Purchaser, the Purchaser shall, upon the Supplier's request, attend the Supplier's premises at the specified date, or at another date mutually agreed by the Parties, for the purpose of approving the colour rendition of the print prepared by the Supplier (based on the template approved by the Purchaser), according to which the Goods ordered by the Purchaser shall be produced. If the Purchaser fails to attend at the specified or agreed date to approve the colour rendition, the Supplier shall be entitled to approve such colour rendition and to use it for the production of the Goods intended for the Purchaser. In such case, the Purchaser declares that it shall not assert any claims in respect of deviations in colour between the template approved by the Purchaser and the Goods produced by the Supplier.

16. Special Provisions in Connection with the Purchaser's Insolvency

a) If the Purchaser fails to comply with the payment terms set out in these GTC, the Supplier shall be entitled to suspend further deliveries to the Purchaser until all previous obligations of the Purchaser have been duly fulfilled. Such suspension of deliveries shall not terminate the purchase agreement.

b) If, however, the Purchaser fails to settle all its previous financial obligations arising from purchase agreements with the Supplier within 30 days from the due date of the relevant invoices, the Supplier shall be entitled to unilaterally withdraw from the purchase agreement and to claim damages from the Purchaser, including reimbursement of incurred costs and loss of profit.

17. Force Majeure

The Supplier shall not be liable for any damage or loss resulting from delay in the manufacture, dispatch or delivery of the Goods if such delay is caused by force majeure. Force majeure shall mean events or circumstances beyond the direct control of the Supplier, in particular events or circumstances resulting from acts or omissions of the Purchaser, fire, flood, epidemics, quarantine restrictions, weather conditions, strikes, production shutdowns, defects in production machinery, interruptions or delays in the supply of material or energy inputs, war, revolution, terrorist attacks, piracy, riots, or changes in legislation. Such events or circumstances shall release the Supplier from liability for partial or complete non-performance of the agreed deliveries of the Goods for the duration of the force majeure situation and to the extent of its impact. If the delay due to the above reasons lasts longer than 8 weeks, the Supplier shall be entitled to withdraw from the purchase agreement in whole or in part.

18. Withdrawal from the Purchase Agreement

In addition to the cases provided for in the Civil Code and pursuant to Articles 16 and 17 of these GTC, the Supplier shall be entitled to withdraw from the purchase agreement if the Purchaser fails to provide the necessary cooperation even within an additional reasonable period set by the Supplier after the Purchaser has failed to meet the agreed deadlines for such cooperation. In such case, the Supplier shall be entitled to claim damages from the Purchaser.

19. Arbitration Clause

The Parties expressly agree that all pecuniary disputes that may arise in the future from contracts to which these GTC apply, or in connection therewith, including disputes concerning their validity, interpretation, performance or termination and rights arising directly therefrom or directly related thereto, shall be finally settled by arbitration before the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic in accordance with its rules, by a sole arbitrator appointed by the President of that Arbitration Court. The seat and address for service in the arbitration proceedings shall be the registered office of the Arbitration Court, currently at Vladislavova 1390/17, Prague 1, 110 00, Czech Republic.

20. Final Provisions

a) The Supplier shall be entitled to mark the Goods sold with its name and registered office, as well as its trademark, both on the product and on the packaging, unless otherwise agreed in writing with the Purchaser.

b) The Purchaser agrees that the Supplier may present Goods and products marked with the Purchaser's logo or other designation (including trademark) for the purpose of promoting its products and services (in particular on its website, in promotional materials, etc.).

c) The Supplier shall notify the Purchaser without undue delay of any obstacles preventing delivery of the Goods within the agreed deadline.

d) These GTC for the supply of printing products by OTK printing & packaging a.s. shall form an integral part of purchase agreements concluded between the Supplier and the Purchaser during the period of validity of these GTC.

e) If technical printing terms are used in these GTC, in the purchase agreement, or in accompanying correspondence, their meaning shall be interpreted in accordance with the publication by Dr. Vladivoj Zlatohlávek – Vojtěch Breza: *Polygrafické názvosloví* (Printing Terminology), Polygrafický průmysl Praha, 1969.

f) If certain provisions are agreed differently in a purchase agreement or framework agreement than in these GTC for the Supply of Printing Products of OTK printing & packaging a.s., the provisions agreed in the purchase agreement or framework agreement shall prevail.

21. Entry into Force

These General Terms and Conditions, published at www.otk.cz, shall enter into force and effect on 1 October 2025.



In Kolín, on 1 October 2025

Ing. Michal Uher, MBA
Chief Executive Officer