GENERAL TERMS OF SALE AND DELIVERY
TALLPACK BULGARIA Ltd.
Company Reg. No. 201665033,
Company seat and registered office address: Stara Zagora,
South Industrial Zone, Building Teramis

I. General Provisions
1.1. Tallpack Bulgaria Ltd., Stara Zagora, called hereinafter Tallpack Bulgaria Ltd., defines these General Terms in accordance with art. 298, para. 1 of the Trade Law. These shall apply to all contracts where Tallpack Bulgaria Ltd. is a party. These General Terms shall govern all offer types, deliveries and agreements sent by Tallpack Bulgaria Ltd. and shall apply to all contracting parties and contracts completed by Tallpack Bulgaria Ltd. on the territory of the Bulgarian Republic.

1.2. These General Terms shall apply to all contracts being completed by Tallpack Bulgaria Ltd. on the territory of the country unless another written agreement between the parties is existent and which settles their relations in a way different from the one stated in the General Terms. If the party with which Tallpack Bulgaria Ltd. is entering into a contract, has its own General Terms, those shall not apply upon entering the contract. The General Terms of both parties cannot apply simultaneously either, unless the parties agree otherwise. The General Terms of Tallpack Bulgaria Ltd. shall not be modified unless explicitly in writing or as a result of changes in the applicable law or by recommendation of the regulatory authorities of the Republic of Bulgaria.

1.3. Tallpack Bulgaria Ltd. General Terms shall be sent to the potential buyers together with an offer for the relevant items. The General Terms shall be deemed accepted and binding for the Buyer after those are signed by him or unambiguously it becomes clear that the Buyer is familiar with them and accepts them. It is deemed that the relations between Tallpack Bulgaria Ltd. and the Buyer are governed by the provisions of these General Terms once the Buyer has accepted the Offer directed to him by Tallpack Bulgaria Ltd. and has entered into a contract with him.

II. Prices
2.1. The prices contained in the Offer sent by Tallpack Bulgaria Ltd. comprise the current prices valid at the time the Offer is submitted and are VAT excluding, BGN currency or EURO.

2.2. Tallpack Bulgaria Ltd. reserves its right to change the price offered and shall agree this price change with the Buyer who has already accepted the Offer containing the price prior to its change.

III. Offers, Orders and Deliveries
3.1. Tallpack Bulgaria Ltd. shall send to its potential clients Offers containing the specific prices either in writing or by e-mail. The Offers sent this way shall be deemed as an invitation to the Buyer to make a proposal in accordance with the Offer. The proposals from the
Buyers are called queries and comprise an order for certain articles from the catalogue of Tallpack Bulgaria Ltd. which the Buyer is willing to buy on the terms and conditions quoted to him.

3.2. Tallpack Bulgaria Ltd. shall process only orders placed in writing by the Buyer. It is deemed that the requirement for the written form is observed when the order is sent by fax, e-mail or submitted in Tallpack Bulgaria Ltd. office. The orders of the Buyer shall be placed by a person officially authorized by him, trade proxy or another person for whom the facts suggest he is acting on behalf and account of the Buyer.

3.3. Tallpack Bulgaria Ltd. shall send an order completion confirmation in writing within 24 (twenty-four hours) defining also the delivery period. If such a confirmation is not sent to the Buyer, it is deemed that the order is not accepted and shall not be completed.

3.4. After the order has been accepted and the terms of delivery clarified, Tallpack Bulgaria Ltd. shall deliver and hand over the goods in accordance with the specified quantity, quality in compliance with the legislative provisions, packing and marking. By accepting the order, it is deemed that between Tallpack Bulgaria Ltd. and the Buyer contractual relations have arisen.

3.5. The delivery terms defined consider Tallpack Bulgaria Ltd. goods available in stock at the time of signing the Contract. Changes in stock for reasons beyond the control of Tallpack Bulgaria Ltd. (such as but not limited only to: natural disasters, change in the economic environment-strikes, shortage in the supplies of raw materials, etc. and having the nature of the Force Majeure Event) shall not involve the liability of Tallpack Bulgaria Ltd. for non-implementation of the order.

3.6. If as a result of the above Force Majeure Events, there is a delay in completion of the order by Tallpack Bulgaria Ltd., then the delivery period shall be extended with the time of the delay.

3.7. Non-observance of the delivery periods agreed for any reason whatsoever, shall not entitle the Buyer to suspending or terminating implementation of his obligations towards Tallpack Bulgaria Ltd., arisen earlier. The Buyer shall not have any right to claim a delayed order completion compensation when the delay results from the above-stated events unless in the case of a non-delivery of the entire order or part of the order within a reasonable time set in writing by both parties. Termination of the Contract shall take place only when compliance with the agreements between the Parties is objectively impossible.

3.8. The goods delivered shall be accompanied by an original tax invoice and two copies of the Protocol for Delivery and Acceptance. The second copy of the Protocol signed by a representative of the Buyer shall serve as a proof for the acceptance of the goods.

3.9. The Buyer shall accept the goods delivered.

IV. Risk Transfer

4.1. The risk of loss of the goods shall be transferred from Tallpack Bulgaria Ltd. to the Buyer at the time the goods are handed over to a forwarding company, carrier or a party, representing the Buyer.
4.2. If the Buyer refuses to accept the goods because of a partial or complete loss and/or damage during the time of transportation, the Buyer shall not be entitled to a compensation claim towards Tallpack Bulgaria Ltd.

4.3. In the cases when Tallpack Bulgaria Ltd. arranges transportation of the goods, the company shall have the right to choose the carrier and the vehicle. Delay in delivery by fault of the carrier chosen by Tallpack Bulgaria Ltd., respectively the vehicle, shall not be at the expense of Tallpack Bulgaria Ltd. and shall not result in termination of the Contract nor compensation claims.

V. Payment

5.1. The Buyer shall pay the price of the items delivered in accordance with the invoice issued by Tallpack Bulgaria Ltd.

5.2. If there is no explicit agreement for a postponed or advance payment, stipulated in a written contract, invoice or delivery note, the Buyer shall pay the price upon delivery of the goods.

5.3. Payment shall take place in cash or by bank transfer in favour of Tallpack Bulgaria Ltd., the bank account stated in the invoice.

5.4. In case of non-observance of the payment terms, Tallpack Bulgaria Ltd. may demand advance payment upon the next order or refuse any further deliveries notwithstanding the fact that there might be a confirmation to the order of the Buyer and without this suggesting any liability for Tallpack Bulgaria Ltd.

5.5. The Buyer shall not have the right to suspend due and outstanding payments to Tallpack Bulgaria Ltd. Balancing of the payments with a cross invoice issued by the Buyer by deduction of reciprocal payments, shall be accepted only if this cross invoice has been explicitly approved by Tallpack Bulgaria Ltd. or this is required by the legal provisions.

5.6. If a payment is delayed by the Buyer, he shall be deemed in arrears after the payment due date and directing a late payment letter shall not be needed. As a result of this, late payments shall be charged with the legal late payment interest rate applicable.

5.7. All costs, judicial and extrajudicial, incurred by Tallpack Bulgaria Ltd. in connection with the non-implementation of the Buyer, shall be at the expense of the Buyer. The extrajudicial costs shall be at the account of the Buyer every time Tallpack Bulgaria Ltd. uses the services of a third party in order to recover damages.

5.8. The full selling price becomes recoverable by law from the Buyer upon (1) delayed payment after the payment due date (2) when over the property of the Buyer there is a distraintment or foreclosure or when the Buyer announces insolvency or a procedure of announcing insolvency has been started towards the Buyer (3) when a company member or the company owner decides to transfer a part of his or all of his company shares (4) when the company terminates its business (5) when the Buyer has delayed his payments more than twice. In the above cases Tallpack Bulgaria Ltd. shall have the right with a written notice immediately to terminate partially or fully all contract relations with the Buyer if the Buyer within 8 calendar days as from being directed a letter before action fails to produce a guarantee approved by
Tallpack Bulgaria Ltd. for the outstanding payments notwithstanding the other rights of Tallpack Bulgaria Ltd.

**VI. Transfer of Ownership to the Goods**

6.1. Tallpack Bulgaria Ltd. remains the owner of the goods delivered or which are to be delivered up to the time the Buyer has fully paid for the goods delivered and in the case of court disputes between the parties-up to the time all claims related to breach of the contract and suggesting sanction payments, interests and expenses have been settled.

6.2. The Buyer shall not have the right to pawn or use as a security the goods delivered by Tallpack Bulgaria Ltd. when he has failed to settle the above claims and shall declare in front of third parties that the goods are ownership of Tallpack Bulgaria Ltd.

6.3. If the Buyer fails to complete any of the requirements stated in the Contract and referring to the goods sold or works completed, he immediately and unconditionally allows Tallpack Bulgaria Ltd. as well as any third party appointed by Tallpack Bulgaria Ltd. to enter the places where the goods of Tallpack Bulgaria Ltd. are stored and take the goods away.

6.4. If a third party seizes goods which are still in the ownership of Tallpack Bulgaria Ltd. or have claims for them, the Buyer shall within 24 (twenty-four hours) notify Tallpack Bulgaria Ltd. of that.

**VII. Quality Claims and Defects**

7.1. The Buyer shall upon receiving the goods and prior to signing of the Protocol for Delivery and Acceptance examine the goods for visible defects and packing damages and if any notify immediately Tallpack Bulgaria Ltd. If he signs the Protocol for Delivery and Acceptance with no special mentions, the Buyer agrees that the goods have been accepted with no visible defects and in this case he shall not be entitled to claims towards Tallpack Bulgaria Ltd.

7.2. The Buyers shall within 5 (five) working days from the date of signing the Protocol for Delivery and Acceptance make a claim towards Tallpack Bulgaria Ltd. in the case of hidden defects and defects resulting from the transportation of the goods. In order to be processed, the claim shall be prepared in writing, signed and stamped and containing a detailed description of the defect that has been found out. The claim shall also contain the invoice date and number as well as photos of the defective items. If possible, defective items shall be provided to Tallpack Bulgaria Ltd. for inspection in their original packing or their initial state.

7.3. If the claim is accepted by Tallpack Bulgaria Ltd. and it has been found out that there are grounds for it, the defective goods shall be replaced by Tallpack Bulgaria Ltd. with new such ones. If the claim has been submitted later than the deadlines above or there are no grounds for it, Tallpack Bulgaria Ltd. shall not be obliged to replace the goods claimed for and shall not pay any compensation to the Buyer.

7.4. Return of defective goods and their replacement with new ones shall take place only with the prior approval of Tallpack Bulgaria Ltd. and only according to the transportation instructions given by Tallpack Bulgaria Ltd. Return of goods shall always be accompanied by a stamped written document for the defect registered by the Buyer. An item returned without the explicit prior written approval of Tallpack Bulgaria Ltd. may not be accepted. If in this case Tallpack Bulgaria Ltd. still accepts the return, returned items shall be kept at the expense and
risk of the Buyer and shall be at his disposal for collection. The written approval granted by Tallpack Bulgaria Ltd. for the return does not necessarily mean that Tallpack Bulgaria Ltd. accepts and agrees with the defect registered by the Buyer.

7.5. The Buyer shall indemnify Tallpack Bulgaria Ltd. for expenses incurred on unreasonable grounds.

7.6. A claim for defective goods does not entitle the Buyer to suspension of the payments due to Tallpack Bulgaria Ltd.

VIII. Force Majeure Events

8.1. Force Majeure Events are events which prevent Tallpack Bulgaria Ltd. from implementation of its contract obligations such as: war, riots, fire, floods, strikes, disobedience of workers in the supplying factories, theft or interruption in the energy supplies, all of these taking place either in the factory of Tallpack Bulgaria Ltd. or in the factory of any third party supplying Tallpack Bulgaria Ltd. with materials or goods, as well as during the storage and transportation of the goods, where all of these events occur beyond the control of Tallpack Bulgaria Ltd. and are not by its fault.

8.2. If Tallpack Bulgaria Ltd. is prevented from implementation of its obligations due to the events in clause 8.1, Tallpack Bulgaria Ltd. reserves its right to terminate partially or fully in writing the Contract with the Buyer without having to pay him a compensation for this or define a new deadline for completion of its obligations after finishing of the force majeure event.

IX. Safety, Spare Parts and Products

9.1. The Buyers hall observe the Operating and Safety Instructions provided by Tallpack Bulgaria Ltd. as well as make them known to his employees or third parties using the products of Tallpack Bulgaria Ltd. The Buyer shall observe the provisions of the relevant competent authorities as well as demand compliance with those during operation with the relevant products.

9.2. In case of repair respectively replacement of a machine or device spare part delivered by Tallpack Bulgaria Ltd., the Buyer shall use only spare parts recommended by Tallpack Bulgaria Ltd. from the Spare Parts Lists and Drawings applicable to the relevant machine or device. When performing those, the Buyer shall observe the operating and safety instructions mentioned in clause 9.1.

9.3. If the Buyer has failed to observe the requirements of clause 9.1. and 9.2 and has used parts other than those recommended by Tallpack Bulgaria Ltd., this resulting in damages, the Buyer shall not have the right to hold Tallpack Ltd. liable for this, unless he proves that the damages caused are a result of parts or products delivered by Tallpack Bulgaria Ltd.

9.4. If the Buyer re-sells parts or products delivered by Tallpack Ltd., he shall include the provisions of clause 9.1, 9.2 and 9.3 of this article in the Contracts with those third parties and make the necessary arrangements to provide those third parties with all the operating and safety instructions.
9.5. Except from the provisions of Section X, Tallpack Bulgaria Ltd. under no circumstances shall be held liable for damages incurred the Buyer if he has acted contrary to the provisions of clauses 9.1 to 9.4. Furthermore, the Buyer shall not hold Tallpack Bulgaria Ltd. liable in connection with claims made by workers or any third party, especially other buyers, when those are not informed about the operating and safety instructions mentioned above in clauses 9.1 to 9.4 including.

X. Liability

10.1. Tallpack Bulgaria Ltd. shall be held liable only for damages for which the Buyer has proved are directly or indirectly resulting from the actions of Tallpack Bulgaria Ltd. and could have been foreseen and prevented.

10.2. For damages resulting from missed or reduced profit and for all other indirect and consecutive such ones, i.e. production losses or compensations paid by the Buyer to third parties, compensation shall not be applicable.

10.3. The compensation that Tallpack Bulgaria Ltd. might pay shall not exceed the invoiced value of the goods damaged, excluding VAT.

10.4. Tallpack Bulgaria Ltd. shall not be held liable for claims made by third parties including the employees of the Buyer or other buyers pointing out that they have incurred damages resulting from the products delivered by Tallpack Bulgaria Ltd., other than the cases described in the Contract signed between the Buyer and Tallpack Bulgaria Ltd. and these General Terms and in which Tallpack Bulgaria Ltd. owes a compensations.

10.5. If there are legal grounds for a compensation, Tallpack Bulgaria Ltd. shall be provided with the possibility and the required support to examine the relevant causes, damage type and scope.

XI. Disputes, Applicable Law, Competent Court

11.1. All disputes arisen upon or in connection with deliveries completed under these General Terms, shall be settled by negotiations. If an agreement cannot be reached on the controversial issues, the dispute shall be settled in accordance with the Bulgarian legislation and by the competent court in the place of Tallpack Bulgaria Ltd. domicile, i.e. StaraZagora.

11.2. All risks and responsibilities in connection with the specific requirements for the Buyer’s activity shall be at his expense and the Seller shall not assume any liability or risk in connection with non-observance of the legislative provisions by the Buyer when performing his activity.

These General Terms were accepted and approved by the Managing Director of Tallpack Bulgaria Ltd. on 01 April, 2012.

I have read and understood the GENERAL TERMS OF SALE AND DELIVERY of Tallpack Bulgaria Ltd. and I fully agree and accept them.

Name and surname:....................
Signature:................................

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