

1. Scope of the General Terms and Conditions

- 1.1. These General Terms and Conditions (hereinafter: GTC) apply to the deliveries of goods and services of Grafički zavod Hrvatske d.o.o. (hereinafter: the Seller) to the Buyer.
- 1.2. By accepting the offer or signing the contract, these GTCs become an integral part of the contract and apply to all business relationships between the Seller and the Buyer. They exclude and void other conditions provided by the Buyer unless the Seller has agreed to them in writing.
- 1.3. If any provision of these GTCs is considered or becomes invalid, illegal or unenforceable, this shall not affect the validity, legality and enforceability of the remaining provisions in any way.

2. Offers of the Seller

- 2.1. Offers submitted by the Seller to the Buyer based on an inquiry are non-binding for the Seller unless they are expressly confirmed as binding. The validity of the offer is specified in each offer.
- 2.2. Unless otherwise specified, offers are calculated based on average ink coverage of 60% of the paper surface.

3. Orders of the Buyer

- 3.1. Only written orders and contracts concluded with the Buyer are valid and legally binding for the Seller. Amendments to the order, as well as verbal agreements, are legally binding for the Seller only if confirmed in writing.
- 3.2. Unless otherwise specified, the Seller manufactures graphic products of a regular quality for general use (consumer products), using standard quality materials for these purposes. If the Buyer has specific requirements regarding the end use of the product and its specific category and purpose, which are subject to specific product labelling, legislation and use of specific consumables (e.g. for the purpose of CE marking, etc.), the Buyer is obliged to specify in the order exactly what the requirements are, as well as the required product labelling and product category.
- 3.3. The Seller may assign the order, in whole or in part, to a third party, and is responsible for the deliveries and services of their subcontractors.
- 3.4. The Seller shall charge the Buyer any additional costs incurred in case of a change in the specifications of the order concerning the confirmed order, as well as in case of a delay in meeting the schedule from Article 8.3., including possible production stoppages due to changes after print approval.
- 3.5. The Seller may charge the Buyer with the costs of making designs, templates, proofs, samples, print data corrections, test prints and delivery, even if the order is not placed.
- 3.6. If the Buyer cancels the order that is in production, the Buyer is obliged to pay the price from the confirmed order.
- 3.7. If the Seller has procured or reserved the paper for confirmed or contractually announced periodic jobs of the Buyer, and the Buyer cancels the jobs or requires substantial changes of the technical specifications in such a way that the Seller is left with unused paper, the Seller reserves the right to invoice the purchased paper, i.e. to agree with the Buyer on the settlement of the costs incurred or on the purchase/use of the purchased paper.
- 3.8. The Seller is entitled to request from the Buyer a payment security instrument at or before signing the contract/confirming the order. If the requested instrument is not delivered to the Seller within the agreed time, the Seller is entitled to cancel the order.

4. Print data and print/binding approval

- 4.1. Current guidelines for the preparation and submission of print data are available on the Seller's website.
- 4.2. The Seller shall check the technical correctness of the print data received from the Buyer, following ISO 15930-7 standard.
- 4.3. If errors are found, the Seller shall inform the Buyer in writing, and if substantial changes are required, the agreed schedule of production and delivery is delayed respectively.

4.4. As a rule, the Seller shall not make corrections of the print data. Nevertheless, if the Buyer requires making changes, the Seller shall check whether the PDF file is editable and if there are possibilities for doing so. The Seller shall inform the Buyer about the changes made and ask for the Buyer's written approval (by e-mail). The costs of the changes made may be charged to the Buyer.

The Seller reserves the right to adjust/optimize ink application to the printing requirements. The correction curves are defined by ISO 12647-2.

4.5. The Seller shall not check the print data content, nor is responsible for the errors in the graphic design that the Buyer has overlooked. The Buyer shall bear full legal responsibility for the content of the printed material.

4.6. The Seller reserves the right to refuse the execution of the order according to the offer or the contract if it considers that the printing job would be contrary to enforced regulations and rules of public morality.

4.7. The Buyer checks the web proof (PDF print data files) provided by the Seller and sends the print approval by email.

4.8. The purpose of the web proof PDF file is for the Buyer to check imposition, bleed, cutting lines, text and other print data elements. It does not represent the colour that shall be reproduced on prints.

The Seller is not responsible for the difference or visual impression of colour differences between the screen of the Buyer's computer on which the print data were prepared or between the electronic device on which the PDF file is controlled, and the final printing results.

4.9. The Buyer may give their print approval to the Seller by signing of proofs (imposition proof and colour proofs) provided by the Seller.

4.10. The Buyer may sign the proofs and give print approval also at the beginning of printing directly at a printing press. In this case, the Seller reserves the right to invoice additional costs to the Buyer (e.g. additional paper required for adjustments, printing downtime, etc.).

4.11. At the Buyer's request, the Seller shall send them printed and folded sheets for verification and approval of print before finishing and binding. The Seller can also send a gathered/sewn signature for approval before binding. The costs of sending sheets/samples shall be borne by the Buyer.

5. Quality of printing, finishing and binding

5.1. The Seller reproduces colours in sheetfed printing according to the print data provided, under the current version of ISO 12647-2 Process Standard Offset (PSO) (currently Fogra 51/52).

5.2. Due to the limitations of printing technology and printing materials, minor colour deviations can occur between proofs, press proofs and within the print run, as well as in case of printing according to the Buyer's proofs/sample.

If the proofs provided by the Buyer and the Seller's proofs are within ISO 12647-2 (Fogra) and if there are visual differences, the Seller reserves the right to use their proofs as print reference.

If the Buyer requests printing according to their proofs which deviate from ISO 12647-2 (Fogra), the Seller shall try their best to achieve the desired result but shall not be responsible for possible deviations outside the tolerances of ISO 12647-2.

The Seller shall also try their best to print according to the sample provided by the Buyer if requested so by the Buyer but shall not be responsible for possible deviations outside the tolerances of ISO 12647-2.

5.3. Permissible tolerances in terms of Article 5.2. are defined by ISO 12647-2 for sheetfed printing, and permissible tolerances for finishing and binding are defined by ISO 16762 and ISO 16763.

For deviations in the characteristics of the materials used, the tolerances contained in the material manufacturer's specifications shall apply.

5.4. The Seller shall not accept complaints about deviations within the tolerances in terms of Article 5.3.

5.5. The Seller executes product quality control before shipment following their internally established quality control systems. Additional quality control may be agreed upon at the Buyer's request and expense.

6. Material supplied by the Buyer

6.1. The Seller offers printing and/or finishing services on printing materials, semi-finished products or supplements/promotional product samples of the Buyer.

6.2. The Seller accepts the amount of the received materials/semi-finished products as indicated in the delivery documents, without obligation to check the accuracy of their quantity and quality. Therefore, the Seller is not responsible for any faults resulting from defective properties of the material delivered (in terms of quality and/or quantity).

6.3. The costs of storage, as well as of any required checking of the quantity and quality of the material delivered and any damage and production downtime shall be borne by the Buyer.

7. Product excess/shortage

7.1. If the Seller produces more products than the ordered circulation due to the requirements of the production process, the excess shall be offered to the Buyer at a mutually agreed price or destroyed at the Seller's expense.

7.2. In the production process shortages may arise. A shortage of up to 5% of the ordered quantity is considered acceptable. It does not change the price per piece, and the Buyer cannot make a complaint about it unless they do not accept shortage upon their explicit previous request.

7.3. In agreement with the Buyer, the Seller shall reimburse the Buyer for a shortage exceeding the percentage stated in Article 7.2, and deliver the remaining quantity at their own expense. The Seller can produce the remaining quantity of products by using another production technology as well, provided that it does not impair the appearance, functionality and quality of the product.

8. Delivery

8.1. For delivery terms, Incoterms 2000 shall apply.

8.2. Delivery time is indicated in the offer/order confirmation/contract, and it depends on the type of product and current production capacity of the Seller.

8.3. If a fixed delivery date is agreed upon, the Seller is obliged to fulfil it only if the Buyer meets the deadlines for delivery and approval of the correct prepress data, and/or the deadlines for approval of the folded and gathered sheets prior to binding, and/or other possible deadlines for corrections or delivery of materials, which are an integral part of the agreed schedule/delivery date.

8.4. In case of delay in the fulfilment of the stated deadlines by the Buyer, the Seller is not responsible if the previously agreed delivery date is delayed. The same shall apply in case of subsequent changes to the order by the Buyer according to Article 3.4 and 4.2.

8.5. If it is foreseeable that the delivery shall be delayed, the Seller shall immediately inform the Buyer and arrange further actions.

8.6. If the Seller is responsible for a delivery delay, the Buyer has the right to claim compensation for the delayed delivery if they have suffered measurable material losses due to this delay. If replacement products or a partial quantity of products that meet the Buyer's needs can be delivered, the Buyer is not be entitled to claim compensation for the delay.

Compensation for a delivery delay shall not exceed 0.5% of the total contracted price of the product for one full week of the delay, and it can in no way exceed 5% of the total contracted price of the product.

8.7. If the Buyer requests successive delivery, the Seller reserves the right to charge the Buyer for the corresponding costs, e.g. storage costs and additional delivery costs.

8.8. Unless otherwise agreed upon, the Seller delivers products on Euro-pallets, packed and labelled following the Buyer's instructions. The cost of Euro-pallets is included in the price of the product.

8.9. Products on pallets are protected against damage according to standard procedures. The Seller does not guarantee the durability of the product and is not responsible for a decrease in product quality that may occur due to transportation, storage, and extreme external or mechanical impact on the product.

8.10. Transport insurance shall only be taken out upon the express request and expense of the Buyer.

8.11. The Buyer or the carrier shall sign the delivery note/loading list as a confirmation of receipt of goods.

9. Prices

9.1. Offer prices are expressed as net prices + VAT in the amount prescribed by law.

9.2. If the Seller arranges the transport of goods to an agreed destination, prices are increased by the cost of transport. Delivery terms are agreed according to Incoterms 2000.

9.3. The Seller reserves the right to change the price in case of a change in the price of materials or other production costs of $\pm 2\%$ and in case of a change in the EUR/HRK exchange rate of $\pm 2\%$, as well as if the delivery time is postponed pursuant to Article 3.4, 4.2., and 8.4.

10. Payment

10.1. Payment terms are agreed for each order separately.

10.2. If it is necessary to procure large quantities of paper, special materials or services, the Seller may request advance payment from the Buyer for these expenses. For advance payment, the Seller may grant the Buyer a discount of up to 3%.

10.3. The Seller reserves the right to check the creditworthiness of the Buyer.

10.4. If deferred payment is agreed upon, at the request of the Seller the Buyer shall submit to the Seller the agreed payment security instrument upon signing the contract/order confirmation. The Seller accepts debentures or bank guarantees as payment security instruments.

10.5. The Seller sends the invoice to the Buyer by e-mail and/or mail.

10.6. The Buyer has the right to make a complaint about the invoice within 15 days from the invoice issue date. only in writing, at the legally prescribed rate. The Seller may charge the Buyer both the reminder notice costs and other costs resulting from the Buyer's delay in payment.

10.8. The delay in payment by the Buyer entitles the Seller to immediately cancel further delivery of the goods and/or terminate the contract, and activate the payment security instruments and claim compensation.

10.9. Complaints approved under Article 11.3. do not entitle to withhold/delay payment of the whole but only of a proportional amount of the invoice.

10.10. If the Buyer withdraws the order, the Seller reserves the right to charge all the expenses of the work performed until then.

10.11. Unless otherwise agreed, the Seller has the right to retain in their possession the products ordered by the Buyer until the agreed price has been paid in full.

11. Complaints of the Buyer

11.1. The Buyer is entitled to make a complaint about obvious defects of the delivered goods within 14 days of delivery. The Seller shall also take into consideration claims for hidden defects or in case the Buyer's product is distributed successively or delayed, but at the latest within two months after the delivery of the goods.

11.2. The Buyer is obliged to make a complaint to the Seller in writing, to describe in detail and quantify the defects, to submit a sample of the defective product and to specify their compensation claim.

11.3. The Seller shall investigate the complaint received by checking the product sample submitted and their control samples. If the complaint is justified, the Seller may, in agreement with the Buyer, provide an improvement or deliver a replacement of the goods or approve financial compensation to the Buyer.

11.4. If the Buyer requests the whole production or a production stage to be made anew, or in case the Buyer's compensation claim exceeds 20% of the total amount of the invoice, the Buyer is obliged to return to the Seller the delivered defective goods if requested so by the Seller.

11.5. The Seller's compensation to the Buyer cannot exceed the total invoiced value of the goods.

11.6. The Seller neither complaints regarding deviations under Article 5.3, nor complaints about the quality of the production stages already approved by the Buyer during production, nor complaints regarding the quality aspect of the finished product that the Seller warned about during production.

If the Buyer requires production within a shorter period than it is technologically justified, the Seller shall not be responsible for any defects that may arise.

11.7. The Seller assumes no liability for compensation for the damage that may result from improper storage or use of the product, nor for compensation for lost profits, non-pecuniary damage or damage to third parties.

12. Force majeure

12.1. In case of force majeure or other unforeseen or extraordinary circumstances beyond the Seller's control, which include natural disasters, fire, explosion, government actions, strike, riots, terrorism, production disruption, difficulties in the procurement of materials and energy supply, lack of means of

transport and the like, delivery time will be extended correspondingly by mutual agreement of the Seller and the Buyer.

12.2. If delivery is not possible or probable due to the abovementioned circumstances, the Seller shall be released from the obligation to effect delivery, and the Buyer shall not be entitled to claim compensation for damage if they have been informed about the circumstances in due time. If delivery is delayed by more than two months, the Buyer is entitled to cancel the order.

13. Intellectual property rights

13.1. Unless otherwise specifically indicated, by these GTC, offer or contract neither the Seller nor the Buyer shall acquire any right or title in connection with trademarks of the other contracting party, wherever the company of the other contracting party is mentioned, or the company/name of the Buyer, affiliates and associated companies of the contracting parties. This provision does not apply to the right to communicate the Buyer as the Seller's client in the Seller's promotional materials, e.g. brochures, etc.

13.2. The Seller is not responsible for the infringement of the rights of third parties, which are related to the Buyer's business operations. The Buyer is obliged to remove any liability from the Seller at any time.

13.3. The contracting parties are obliged to inform each other within 48 hours about the occurrence of any circumstances that could affect their further business cooperation, in particular about the change of headquarters, change of the responsible person, change of ownership structure, change of bank account and business bank, opening of pre-bankruptcy settlement procedure, bankruptcy, liquidation, insolvency, etc. In the event of difficulties in the business of a contracting party that did not exist at the time of conclusion of a business deal, which could objectively affect the execution of the contract, and in the event of termination of business of a contracting party, the respective contracting party shall immediately inform the other contracting party.

13.4. The Seller and the Buyer agree to exchange only personal information relating to usual contact data of their employees and authorised persons (e.g. business e-mail, business telephone numbers, job title, business location, etc.), which is required for administering orders/contracts. If the receiving party wishes to process the abovementioned personal data for other purposes (e.g. to relate to other data for promotional purposes), then they shall have to obtain specific consent from each subject whose personal data is processed, with simultaneous notice that the given consent can be withdrawn at any time.

13.5. Samples of products and/or proofs provided by the Buyer to the Seller as the reference for printing /binding are the property of the Buyer and shall be returned to the Buyer upon their request at the latest within three months from the delivery of the product.

13.6. The Seller is not obliged to keep the submitted print data, prepared layouts, printing plates, etc. unless otherwise agreed.

13.7. The Seller has the right to apply their name and/or logo on the product that they print.

14. Confidentiality, personal data protection

14.1. The Buyer undertakes to keep confidential all the data they have acquired from the Seller in connection with the order unless this data is general. The Seller undertakes to keep confidential the data about the production of semi-finished products or finished products of the Buyer and to use them exclusively for order fulfilment.

14.2. The Seller is obliged to keep the Buyer's personal data confidential according to the provisions of the Personal Data Protection Act and other regulations. For this purpose, the Seller has also appointed a data protection officer.

14.3. During the term of the business relationship, as well as indefinitely after its termination on any basis, each contracting party is obliged to keep the other contracting party's data confidential and to refrain from any use or disclosure of their confidential information. Without consulting the Seller and without their written consent, the Buyer is not authorised to make any statements to third parties, as well as press releases related to the respective business relations, which would not be affirmative about the Seller or/and the subject matter of the order/contract.

14.4. The Buyer undertakes to keep confidential all the information, transactions, documents, materials, instructions, etc. of the Seller, including the provisions of the order/contract and all related documents, which the Seller denoted as confidential when communicated to the Buyer, or which may reasonably be considered as confidential with respect to the circumstances in which they are disclosed (the Seller's confidential information). The Buyer is obliged to keep confidential the Seller's confidential information permanently, even after the order has been executed.

14.5. A contracting party that breaches the obligation of keeping data confidentiality under this article shall be liable for any damage, without any restriction, incurred to the other contracting party as a result of a breach of confidentiality.

14.6. The obligation of maintaining confidentiality does not apply to the following information:

- a) publicly known information, or subsequently publicly disclosed information - unless the confidential information was disclosed with intent or fault of the contracting party that received the information, or
- b) information that the contracting party that receives information received by a third party not bound by obligation to maintain confidentiality of these information, or
- c) information published or disclosed in accordance with law, stock exchange regulations or an order of another authorised body to the extent that such disclosure is required by law.

15. Code of Conduct for the Seller

15.1. The Seller is obliged to abide by the applicable laws. In particular, the Seller undertakes not to participate actively or passively, directly or indirectly in any form of bribery/corruption, in any violation of the fundamental rights of their employees, child labour abuse or any other violation of ethical standards. Besides, the Seller assumes responsibility for the health and safety of their employees at work, complies with environmental regulations, and supports and requires compliance with this code of conduct by their contractors.

16. Conclusion and termination of contract

16.1. The Seller and the Buyer shall agree on their business cooperation and its duration in writing.

16.2. The Seller reserves the right to withdraw from the contract with a 30 day notice period starting from the date of the written notice to the Buyer.

17. Applicable law and jurisdiction

17.1. The Seller and the Buyer shall endeavour to settle disputes arising from these GTCs by peaceful means. If an amicable solution cannot be reached by negotiation, the dispute shall be finally settled by the court in Zagreb, and the applicable law will be the law of the Republic of Croatia.

18. Final Provisions

18.1. These GTCs are published on the Seller's website.

18.2. The Seller is obliged to acquaint the Buyer with these general terms and conditions only at their first order. For further orders, it is presupposed that the Buyer is familiar with them, and the Seller is not obliged to inform the Buyer about them separately.

18.3. The Seller reserves the right to change these GTCs without prior notice. Each updated version of the GTCs will be published on the Seller's website.

18.4. These GTCs have been drawn up in the Croatian and English language. In case of any disagreement between the Croatian and English versions, the Croatian version shall prevail.

18.5. These GTCs enter into force and apply from 01.11.2019.

Zagreb, 1.11.2019