

COOPERATION AND LIABILITY MODELS OF PRODUCTION PROCESSES

I. POLIPAKS SIA, registration No. 40003283415, ("**Polipaks**") provides full cycle production process including Artwork adaptation, colour separation (LEN file) and print plates production in-house. If the Buyer insists that any of production processes is performed by himself or any third party including Repro houses ("**Repro company**") the Buyer accepts and is obliged to comply with the respective cooperation model:

1. Polipaks – All the preparation of the artwork is done by Polipaks in-house.

2. One-Up – Repro company adapts the Artwork taking into account the technical and technological capabilities of Polipaks. All requirements for the finished product must be previously agreed. Print proof and samples provided in advance.

Polipaks does the quality check, prepares the layout and produces printing plates.

3. LEN files – Repro company provides to Polipaks LEN files (ready files for printing plates production) taking into account the technical and technological capabilities of Polipaks. All requirements for the finished product must be previously agreed. Print proof and samples provided in advance. Polipaks produces the printing plates. In case when during the first startup on the press Repro errors are discovered the job is taken off the press and press downtime cost and costs of reproduction of print plates are charged to the Buyer.

4. Print plates produced outside Polipaks – Repro company provides to Polipaks printing plates, taking into account the technical and technological capabilities of Polipaks. All requirements for the finished product must be previously agreed. Print proof and samples provided in advance.

In case when during the first start-up on the press Repro errors are discovered the job is taken off the press and press downtime cost is charged to the Buyer. Buyer provides corrected print plates. The Buyer is covering print plate reproduction costs when they wear out.

Cooperation model	Analysis	Adaptation	Approval	Color separation / Print Proof	Layout	Print plate production	Remake of worn out plates
Polipaks	P / B	P	P	P	P	P	P
One-Up	P / B	B	B	B	P	P	P
LEN files	P / B	B	B	B	B	P	P
Print plates produced outside Polipaks	P / B	B	B	B	B	B	B

B – Buyer; P – Polipaks

II. When Buyer is obliged to perform any payment under this Annex such payment shall be considered due in 14 day's net from the date of the Polipaks' E-invoice, unless agreed otherwise.

III. In the event the Buyer fails to pay in due time, the Polipaks has the right to demand in writing that the Buyer pays 0,4% (four tenths) percent interest on the total amount delayed for every day of the delay. The interest shall start accruing from the first day of delay.

IV. Regardless of aforementioned rights Polipaks is entitled to suspend performance of any Polipaks' obligations under the purchase-sale contract until Buyer performs his obligations under this Annex. Use of such Polipaks' rights shall not be considered a non-performance and no sanctions can be applied to Polipaks.