

General Terms of Trade of Magnaplast Sp. z o.o. /Ltd./ in International Trade

1. Scope of Application.

- 1.1. General Terms of Trade, hereinafter called in short **GTT** are an integral part of sales offers and deliveries completed by Magnaplast Sp. z o. o., hereinafter called the **Seller**. The conditions mentioned below, whose subject is the sale of products offered by the Seller, regulate civil and legal relations between the Parties.
- 1.2. General Terms of Trade apply to all the products offered by the Seller which are in the current price lists.
- 1.3. Signing an invoice or accepting the products is tantamount to accepting the General Terms of Trade by the Buyer.
- 1.4. In case of the conflict of GTT with a separately signed contract, the terms in the signed contract takes precedence.

2. Order Delivery

- 2.1. 3.1 Orders of the products offered by the Seller should be done in a written form, either by facsimile or via electronic mail. The order should include:
 - a. **Buyer's** name,
 - b. Type, including the numbers of products articles and the amount of the ordered goods,
 - c. Date and the way in which the goods will be collected,
 - d. The signature of the Buyer or the person authorized to make such orders.
- 2.2. The Buyer is obliged to make orders in writing signed only by people authorised to represent the Buyer based on legal regulations or appropriate authorisations.
- 2.3. Orders placed via electronic mail should be sent from the address owned by the Buyer (company's email address).
- 2.4. Making an order, the Buyer confirms that he knows GTT and conditions and agrees to accept them. Any cost incurred from mistakes in an order is borne by the buyer.
- 2.5. The Seller confirms in writing, in electronic form or on the phone the acceptance of the delivery order within 7 days from the day of it was received.
- 2.6. The Sellers delivers the goods in appropriate quality and is responsible for its conformity with the binding technical standards.
- 2.7. The Seller ensures the appropriate protection and packaging of the goods for shipping. The cost of a standard package is included in the price of products. Shipping should be done by means of specially adapted transportation, and the Seller is not responsible for any damages resulting from shipping.
- 2.8. Order delivery date is agreed to by the Buyer and is binding on the Seller. Delivery is completed within 10 working days from the confirmation of the received order.
- 2.9. In case full delivery cannot be made, the Seller, if possible, informs the Buyer about the delivery date of the missing products and delivers them to the Buyer as soon as it is possible. The Seller is not responsible for the delay of the products delivery connected with unavailability of the products in the Seller's warehouses.
- 2.10. The proof of conclusion of a contract (of product delivery to the Buyer) is an invoice issued with the WZ document or with a signed bill of lading (CMR). The sale and purchase agreement is made and completed on the day when the goods are received by the Buyer or his authorised representative, or on the day when goods are transferred to the authorised carrier.
- 2.11. The Seller reserves the right to make partial delivery when the delivery date of the rest of the goods is stated.
- 2.12. Products delivery is made based on the regulations of EXW Sieniawa Żarska, Polska or FCA Sieniawa Żarska, Poland (INCOTERMS 2000) depending on the Parties agreement. In case where the goods are to be collected by a private or commissioned

transport by the Buyer, the Seller guarantees goods loading on the same working day only if the carrier reports for the goods at the Seller's warehouse before 10 a.m. local time. Otherwise, the loading will be completed on the following working day.

- 2.13. The Buyer is obliged to confirm in written form the data of the means of transport (plates' numbers of the vehicle or container's numbers) at latest one day before the day of loading.
- 2.14. The Seller guarantees that 95% of loaded goods concerning items and quantity are of ordered products.
- 2.15. The Buyer accepts the load not later than 7 days after it was received and is obliged to check the quantity and quality of the delivery. After the above mentioned time, if there are no claims, the delivery is understood as cleared. In this case, all the damages which may have appeared during shipment of products or assembly can no longer be claimed.
- 2.16. All and any complaints concerning completed delivery should be delivered to the Seller in writing, either by facsimile or via electronic mail.
- 2.17. If at the goods deliver, quantity shortages/excesses or quality faults are noticed – under the restriction of losing the right of claims, the Buyer is obliged to ask the carrier to check these shortages/excesses or faults and with his assistance to write a completion report including the exact description of quantity shortages/excesses and quality faults.
- 2.18. Responsibility conditions of the Seller as well as the course and dates of dealing with the received claims are described in separate documents (ISO procedures) available at the Seller's premises.
- 2.19. The settlement of the acknowledged claims is determined based on the Parties' agreement, choosing one of the options: issuing invoice correction, missing products delivery, or an amount compensation claim by means of a discount for the next delivery.
- 2.20. Pressing the claims does not exempt the Buyer from the payment responsibilities in due dates stated in the invoice concerning the given delivery.
- 2.21. Product deliveries will be executed based in invoices or WZ documents or bills of lading (CMR).
- 2.22. The Buyer is obliged to send back to the Seller a confirmed bill of lading CMR and a confirmed invoice copy (a company's seal, legible signature of an authorised person and the date when the goods were received) not later than within 14 days since the delivery – it concerns only intra-community delivery of goods (WDT).
- 2.23. In case of a Buyer's payment is delayed, or when Buyer's credit limit given by the Seller is exceeded, the Seller has the right to cease the completion of the consecutive orders.
- 2.24. In case the payment for delivered goods is delayed, the Seller is entitled to charge the Buyer an additional 0.01% interest on the default fee for every day of the delay.

3. Order Change and Resignation

- 3.1. The Buyer can fully or partially withdraw from an ordered delivery provided he sends the Seller written information concerning this, at least 5 working days before the order delivery date.
- 3.2. It is not possible to cancel the order during the shipment to the Buyer or while loading at the Seller's place.
- 3.3. Delivery change or withdrawal can be reported only by people authorised by the Buyer, and must be done in writing (a letter, facsimile, electronic mail).

4. Prices

- 4.1. Product catalogue prices included in the price list are stated in EURO (without VAT) in the Seller's warehouse. The Seller allows using prices in other currency than EURO.
- 4.2. The sale is done in accordance with price given in the price lists including the trade discounts valid on the day of sale or in accordance with the prices given in the Seller's offer or the prices included in other separate business agreements, based on conditions described in the General Terms of Trade.
- 4.3. Catalogue prices change in the price lists does not mean the change of agreement conditions or GTT regulations.

5. Payment Conditions

- 5.1. The payment is done in the currency which is stated in the invoice within the time fixed in the invoice by means of the transfer to the bank account shown in the invoice. In case of a prepayment for the ordered goods, the payment is done based on a pro forma invoice.
- 5.2. The payment is understood as complete on the day when money transfer is deposited in the bank account of the Seller.
- 5.3. Reporting any claims concerning complaints, shipment, quantity shortages and others does not cease the payment obligation resulting from the entered into contract.
- 5.4. Under open account trading, the Seller reserves the right to introduce a credit limit, i.e. the credit limit value of an order. The credit limit depends on the trade results of the Buyer, meeting the payment responsibilities and financial situation of the Buyer shown in the documents presented to the Seller.
- 5.5. In case of an intention to buy under the open account trade, the Buyer, at the request of the Seller, is obliged to present his financial documentation, especially the account of profits and losses, and the balance of trade for the last year, as well as to deliver the list of people authorised to make orders, sign invoices and cancel the orders.
- 5.6. In case when the transaction subjected to this general terms of trade are insured by the Seller, in case of the lack of payment of the Buyer, the Seller has every right to launch all possible procedures resulting from the above mentioned insurance, despite the costs which the Buyer may be charged with, and t cease the delivery of the consecutive orders until the financial obligations of the Buyer towards the Seller are met.
- 5.7. The Seller may demand an immediately payment from the Buyer (before the stated payment day) if the Buyer becomes insolvent or if the security given by the Buyer lost its validity or value.

6. Act of God.

- 6.1. The Seller is not responsible for any loss to the Buyer if it resulted from the events beyond the Seller's control. Such events include among others a war, embargoes, disasters, natural disasters, strikes, and connected with them unforeseen communication difficulties, delivery delays caused by unforeseen suspension or shutdown of the production and trade activity of the Seller, as well as all external events that are beyond the Seller's control, which appeared in an unpredictable and unpreventable scale, or which prevented to a great extent or totally, the normal activity of the Seller.
- 6.2. The Seller is also not responsible for the loss in benefits to the Buyer.

7. Other Regulations.

- 7.1. All the disputes between the Seller and the Buyer will be settled by the Court of Arbitration at the Polish Chamber of Commerce in Warsaw.

- 7.2. The Parties unanimously agree that the civil and legal relations between them are not subjected to the United Nations Convention on Contracts for the International Sale of Goods, Vienna 1980.
- 7.3. All changes to this terms and conditions need to be done in writing or else they will not be effective.
- 7.4. In case of circumstances indicating the probability that the Buyer will not be able to meet his obligations, especially in case of bankruptcy or liquidation or sale of the Buyer's company, the Seller is entitled to withdraw from the contract without keeping renunciation date, and he is obliged to inform the Buyer about it in writing.
- 7.5. In case when the Buyer and the Seller have signed a commercial agreement (Contract) in a written form for a specified period, expiry of the contract does not relieve the parties from the necessity of proper and complete performance of the contract duties.
- 7.6. The Parties may in individual cases withdraw from the General Terms of Trade only based on mutual agreement.
- 7.7. All the information concerning mutual co-operation, especially co-operation conditions, prices, signed documents, issued invoices etc. are treated by the Parties as confidential and cannot be revealed to a third party.

Made on: 03.02.2014

Approved by: Waldemar Dębski – General Director of Magnaplast Sp. z o.o.