

--GENERAL EXPORT SALES CONDITIONS

1. General Provisions

- The present General Export Sales conditions (Hereinafter just GESC) are an integral part of the Contract of Sale entered into between and by the Seller and Buyer.
- The GESC are effective at their full extent unless agreed otherwise by the Parties in the Contract of Sale; in case of conflict between the provisions in the Contract and the wording of present Sales Conditions the provisions in the Contract shall prevail.
- Any amendments, modifications and additions hereto or to Contract of Sale shall only be effective if agreed in writing by both the Parties.
- After the Contract of Sale execution, any and all previous understandings and correspondence related to the Contract subject becomes null and void.

2. Conditions for Supplies

- Regulations contained in the International Rules for Delivery Terms and Conditions Construction issued by the International Chamber of Commerce in Paris - INCOTERMS 2000 shall be binding for construction of trade provisions herein or in the Contract.
- The Seller is entitled to deliver the Goods in partial supplies, or also prior to the agreed delivery terms, unless agreed otherwise in the Contract of Sale.
- The Goods delivered shall be invoiced based on the actual weight, i.e. the weight identified by the Seller in the point of time when the Goods was handed over to the forwarder.
- The Seller is not obliged to perform the subject of Contract when:
 - a) The agreed payment instrument are not met, or in case their wording is not in compliance with the Contract,
 - b) Facts proving the Buyer is unable to pay fully a purchase price are known to the Seller,
 - c) The Buyer is delayed in payment of the Goods delivered before also due to another contract of sale.
- If the Buyer fails to take over the Goods in a due time, the Seller shall call the Buyer in writing to take over the Goods additionally and define an additional term for that. After the vain additional term elapsed, the Seller's obligation to deliver the Goods is deemed to be met. On the date, the Seller is entitled to place an invoice for the supplied goods, and store the Goods at the Buyer's risk and expenses. When the delay with the receipt of the Goods is longer than 15 days from the day on which the Buyer was asked to receive the Goods the Seller is entitled to charge warehousing fees to the Seller of 0,3 EUR/t for each day or part of a day of the delay starting on the 16th day of the delay. When the Buyer fails to take over the Goods within 30 days after the above stated additional term completion, the Seller is entitled at its own option either to:
 - a) Withdraw the Contract, sell the Goods to another buyer, and claim a loss compensation from the Buyer at the amount of balance corresponding to the agreed price for which the Goods were actually sold, or
 - b) Discard the Goods at the Buyer's account. This provision shall not affect the Buyer's obligation to pay a purchase price of the goods.

3. Prices

- The Seller's EXW price is a price of the Goods if not stated otherwise in the Contract.
- The Buyer is entitled neither to withdraw a whole or partial purchase price due to any counterclaims against the Seller nor due to any claims, and he is not entitled to make a unilateral set-off to a charged purchase price of the Goods or default interests. In case of any breach of mentioned provision, a contractual fine at the amount equaling a withdrawn or unilaterally setoff amount is agreed, which should be paid by the Buyer to the Seller without any delay.
- In case of any change in prices of essential raw material inputs, the Seller is entitled to adjust the purchase price of the goods. The Seller advice a change in the price of the Goods to the buyer 15 days at the latest prior to the Goods delivery.

4. Payment

- Any and all bank fees, save the Seller's bank fees, shall be borne by the Buyer.
- An invoice is due within 30 days from the day on which the invoice was raised, unless agreed otherwise.
- A failure to pay a purchase price in the course of agreed due term shall be deemed to be a substantial breach of the Contract constituting a Seller's right to withdraw the Contract.
- If the Buyer delays to pay a purchase price of goods, the Buyer shall be obliged to pay the Seller a late charges at the amount of 12% p.a.

5. Title Reservation

- A title to the Goods supplied shall be only transferred to the Buyer after complete purchase price payment.
- If the goods are processed or reprocessed, the Seller acquires co-ownership to such product proportionally to his Goods value in relation to a new product value.

6. Force Majeure

- Force Majeure is deemed to include an extraordinary, objectively unavoidable circumstance occurring independently on the will of the obligatory party, which prevents it to meet its obligations, if the obligatory party cannot be reasonably supposed to avoid or overcome such obstacle or its consequences and, further, if it could not foresee such obstacle at the time of the obligation commencement.
- The Force Majeure comprises particularly natural disaster, war events, epidemics, general shortage of raw materials, strike, and so on.
- In case of any occurrence of the nature of Force Majeure, preventing the Seller to meet his contractual obligations, the Seller shall be entitled to reasonable delivery term adjustment by a period for which the obstacle took place, or he is entitled to withdraw the Contract, in either case without any liability to any loss compensation. If the Seller fails to deliver the Goods also in the additional reasonable delivery terms, the Buyer shall be entitled to withdraw the Contract. A term of 5 months as minimum shall be deemed to be a reasonable additional delivery terms for obligations meeting.

7. Defects of the Goods- Claims

- Apparent defects of the Goods (particularly quantity shortages, Goods surface faults, package faults, and so on) should be reported to the Seller without any unreasonable delay after their detection, however, by 30 days from the Goods receipt in a particular destination according to the Contract. Other defects should be reported immediately after being detected, within 5 months after the Goods receipt in the destination, however, within 6 months from Goods dispatch at the latest. The notification of defects and faults should be made in writing and should be supported with documents proving the claim justification. The claimed Goods should be stored separately until the claim settlement, and any such Goods handling which could make difficult or disable proving of such claimed shortages is not permissible without a prior consent by the Seller. If a claim is justified, the Seller is entitled at his option either to remove the found defects in a course of reasonable time period, or deliver new Goods under previous conditions. Subject to an agreement with the Buyer, a claim can be settled also in form of a reasonable price reduction providing for such claimed goods. Other claims due to the Goods defects can only be provided subject to an agreement with the Seller.

8. Sale to Another Country

- In case the Customer intends to sell the purchased Goods abroad the Buyer is obliged to check and confirm with the Seller that by exporting the Goods he will no breach the undertakings of the Seller in the respective territory.
- The Buyer is obliged to negotiate the same undertaking in case of a further sale of the Goods to another legal entity so that each and every acquirer of the Goods is obliged to consult export of the Goods with the Seller.
- Upon breaching this undertaking the Buyer agrees to pay a contract penalty negotiated as 20% of the value of the supplies of the exported volume of the Goods. This provision has no affect on the right for mitigation of damages, which can be claimed separately.

9. VAT settlements inside EU

- a) The Buyer is obliged to send within 10 working days from the receipt of delivery to the Seller the following:
 - the copy of VAT invoice for the delivered goods with the date and legible signature (name and surname) confirming the receipt of goods delivered to the address given on the invoice - in the assortment and quantity defined in the delivery specification - invoice, - the copy of consignment note on which the confirmation of delivery of goods from shipper is placed.
- b) In case when the date is not kept (which is defined in point 1), the Seller has the right to charge the Buyer with contract fines of 100 EUR for each day of delay. The fine however, cannot exceed 22% of delivery value.
- c) The Buyer is obliged to inform the Seller immediately (e.g. p to 3 days) about:
 - change of the identification number for intra-community transactions,
 - change of the company's name and address.
- d) In case when because of the Buyer (especially in case of losing the tax identification number) transaction will be taxed according to the country's proper rate, the Seller will add to the price tax, according to the country rate.

10. Governing Law, Arbitration Clause

- The Contract including GESC shall be governed by the Polish law.
- All disputes arising from the present contract and in connection with it shall be finally decided with the Arbitration Court attached to the Krajowa Izba Gospodarcza (Polish Economic Chamber) in Warsaw, in accordance with the Rules of the Arbitration Court, by three arbiters.

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