

INTRODUCTION

- 1.1 Herein general conditions of sales, hereinafter referred to as GCS, can be applied in case of all sales agreements or goods delivery agreements, within the scope of goods offered by PLASTMOROZ sp. z o.o. sp.k. [LLC, Limited Partnership] in Białogard (hereinafter referred to as the Seller), for example in case of the next sales (delivery) operation - they will not have to be presented to the Buyer, excluding the agreements signed with the Customers.
- 1.2. In case of the sales or delivery agreements (carried out by the Seller for the acquiring Party, hereinafter referred to as the Buyer) no additional general conditions, specimens and regulations used by the Buyer are applicable.
- 1.3. Whenever PLASTMOROZ sp. z o.o. s.k. is mentioned in the herein document, it is understood as PLASTMOROZ Limited Liability Company, Limited Partnership, with an address in Białogard, ul. Zygmunta Augusta 3C, entered into the registry of the entrepreneurs of the National Court Registry maintained by the Koszalin District Court, 9th Division of the National Court Registry, under the KRS No. 000443740, identified by NIP [Taxpayer Identification Number] 672-207-78 and REGON Number [Polish National Business Registry number]: 321215117.

CONCLUDING THE AGREEMENT

- 2.1 The Agreement is made by means of placing the order by the Buyer and accepting the order by the Seller or as a result of signing a physical agreement by the Buyer and the Seller. Immediately after the order is placed, the Seller sends a confirmation of the order to the Buyer (document which hereinafter is referred to as Confirmation of the Order).
- 2.2. In cases when the Seller cannot accept the Order or he can accept them, but on condition that there will be some changes made to the proposed conditions of the order, he shall notify the Buyer about such event within 5 working days from the date of confirmation of receiving the Order.
- 2.3. The Order, along with the changes that are indicated by the Seller, binds the Parties, if the Buyer does not contradict that on the next working day after receiving such notification from the Seller at the latest.
- 2.4. The Buyer may withdraw the placed order no later than 24 hours before the day the order is to be supplied by the Seller. In this case, the Seller has a right of encumbering the Buyer with the costs incurred within the process of realizing the order.
- 2.5. Offers, advertisements, price lists, prospects, catalogues etc. coming from the Seller, have solely informative value, they are not a binding offer.

CONDITIONS OF DELIVERY

- 3.1 If the Parties did not arrange it otherwise, the delivery shall be carried out in accordance with incoterms - EXW PLASTMOROZ. Partial deliveries is acceptable.
- 3.2 The seller guarantees to deliver the Goods according to the assumed schedule in accordance with his capabilities and on condition that the Buyer is not delayed in his obligations undertaken towards the Seller. Date of delivery may be prolonged due to unforeseen circumstances, which are beyond what is defined as a normal course of events, no matter if the events are related to the activities of the Seller or activities of his subcontractors/subsuppliers, including, but not limiting it to, events resulting from force majeure. Such unforeseen circumstances particularly include failures of the production devices, breaks in the supplies of electricity or other media and unexpected breaks in supplies of production materials.
- 3.3 The Buyer shall be entitled to ask for damages related to the delay in delivery limited to 0.05% of value (net price) of the goods, which are delayed, for the 5th, and every next day of delay, but the damages cannot exceed 5% of the value of the goods.
- 3.4 In case of delay of the delivery (shipping out/receiving) on request of the Buyer or due to the circumstances caused by the Buyer (e.g. delay in payment resulting in stoppage of the Goods delivery), the Seller may request the Buyer to cover the costs of storage, according to the rate of 4% of net price of the Goods per day of warehousing. Should the delay exceed 60 days, the Seller is entitled to request the buyer to pay the price of the Goods which are delayed, before the Goods are delivered. When this delay exceeds 90 days the Buyer loses a right to request the delivery and the Seller acquires a right to freely manage the Goods he stores, including destruction of the goods, without losing an option to claim payment from the Buyer.
- 3.5 During the execution of the shipping, due to the character of the offered Products, the Seller reserves a quantitative tolerance in execution of the order - plus/minus 15%. The goods are sold according to the selling unit, expressed as linear metres or pcs.
- 3.6 The Seller delivers the Goods from the scope of the inventory which is currently offered to the Buyer. The properties of the Goods will be compliant with the specification clearly defined by the Seller in the documents sent by the Seller that are related to a specific delivery/order (product cards, test results, certificates, etc.). No other confirmation of the properties, including other possible applications, is granted and cannot be a subject of any assumption.

DELIVERY DOCUMENTATION

- 4.1 The Delivery (release) of each batch of the goods will be documented with a shipping document or goods dispatched note, VAT invoice or other document used for the purpose of intracommunity supply.
- 4.2 The goods will be checked within the scope of quantity on dispatch and reception of the Goods at the place of dispatch, with a representative of the Buyer (where any person used by the Buyer will be considered to be his representative, including the carrier working for the Buyer or the person used by the carrier during shipping operation) and the Seller.
- 4.3 Any quantitative deficiencies and visible defects (including damage of the packaging) shall be specified in the dispatch note, shipping documents or other confirmation of transfer of the Goods, otherwise claims stemming from these deficiencies and visible defects shall be null and void. The Buyer is obliged to inform the Seller about potential hidden defects of the Goods within 7 days from dispatch date, otherwise right to claim damages for that reason will be lost.
- 4.4 Test results, certificates, compliance declarations or other documents that would confirm the quality (properties) of the Goods will be attached to the sent goods if requirement like this is indicated in the order or the agreement.
- 4.5 On the date of delivery, the Seller will issue and send a relevant VAT invoice for the Buyer, in which payment form and deadline will be specified.

PRICES AND PAYMENT

- 5.1 The Parties mutually agree that the Buyer is to pay the Seller for the delivered Goods on time and in accordance with the unit prices specified in the current offer of the Seller. Applying other, lower price, needs to be, from time to time, accepted by the Seller. No silent acceptance by the seller shall be assumed within this scope.
- 5.2 If the Parties did not agree upon this issue otherwise, each of the prices included in the offer, catalogue, confirmation or any other document coming from the Seller is a net price on the basis of EXW (loco Seller's warehouse). This price does not include particularly the following components: insurance costs, customs, tax (such as Value Added Tax), cost of shipping, cost of unloading - these are to be incurred by the Buyer. Value Added Tax will be added to the price in accordance with the rate in force.
- 5.3 In case of delay in payment exceeding 10 days (including payment of the prices of goods delivered earlier and interests for the delay), the Seller has a right of suspending further production and/or further delivery of the Goods. The Seller also has a right to suspend the further deliveries if the total value of the liabilities (amounts due and non-due) stemming from the payment of the price exceeds the Seller-set limit of the trade credit. In such cases, the Seller also has a right of conditioning supply of the further batches of goods on in-advance payment of the price for the goods herein. Additionally, the Seller may also withdraw from the agreement within the scope related to the orders from the Buyer that so far were pending, he may also request payment for the Goods already manufactured for the Buyers, even if the delivery deadline or payment deadline is far away. The Seller may also suspend the release of the goods until he receives the payment.
- 5.4 Trade credit limit is to be defined by the Seller, according to his own preferences. The seller reserves a right to change the trade credit limit at any time, without the consent of the Buyer, especially within the scope of the current limit of the receivables insurance against the Buyer.
- 5.5 In case when the Buyer delays the reception of the goods, and when the delay exceeds 30 days, the Seller has a right to send the Goods to the Buyer at the Buyer's cost or demand paying the price for the manufactured goods by the Buyer despite the fact that the goods have not been picked up. If the above delay exceeds 60 days and the Buyer will not pick up the goods transferred to him by the Seller, the Buyer loses a right to request dispatch of the goods, which may be utilized by the Seller or they may be used in other way, which does not release the Buyer from an obligation to pay for the ordered goods that had not been picked-up.
- 5.6 Until the Buyer pays the full price for the delivered Goods, these remain the Seller's property.

WARRANTY AND GUARANTEE

- 6.1 In case any deficiencies that are covered within the scope of the Guarantee granted by the Seller, are discovered in the delivered goods by the Buyer, the Seller, after a quality assessment and acceptance of complaint, agrees to deliver fault-free products or to refund the price of the faulty and returned goods.

- 6.2 Faulty goods may be returned to the Seller by the Buyer at the moment of the nearest delivery. Settlement of the costs of selected or total quantity of the faulty Goods from the Buyer shall be done within 14 days from confirmation of the faults (adjustment invoice).
- 6.3 The Buyer is obliged to inform the Seller about faults other than hidden defects immediately, but not later than 5 days from reception of the goods. Information on hidden defects shall be transferred immediately after they are discovered, but not later than 5 days after the discovery. The defect notification must be made in a written form by the persons who are authorized to represent the Buyer. The fault-report needs to be complemented by attached trade-registry write-off that confirms the right to represent or proxy document - original or notary-certified copy of this document. Exceeding the terms above or violation of the form results in a loss of claim stemming from guarantee and warranty and improper performance of the Agreement.
- 6.4 Physical fault of the goods is defined exclusively as lack of compliance of the goods with their properties clearly described in the Agreement, specification or other documents described in section 3.6.
- 6.5 The Seller informs that the colour specimen that is contained in the presented e-proofs and printed cromalins are solely for guidance purposes. The colors on the final packaging may differ from what is presented on e-proofs and cromalins.
- 6.6 The Buyer, in his complaint, is obliged to indicate the quantity of the goods that are a subject of complaint, along with the type of the goods, number of the order, number of the VAT invoice, number of the batch and specific reason for the complaint. Return of the Goods shall be arranged with the Seller after filling in proper documents by the Buyer, according to the Seller's requirements. Lack of compliance with the formal requirements of the complaints results in its invalidity and it does not have to be further explained.
- 6.7 In an event of complaint, the Buyer has an obligation to secure the goods that are a subject of the complaint for the need of potential inspection, involving a representative of the Seller on site of the delivery or at the Buyer's seat. Should a need arise, the Buyer should provide a sample of the delivered goods in order to carry out relevant examination of this sample. The Buyer is responsible for proper protection of the goods that are a subject of the complaint for the time of transport (it is particularly needed to place the goods on a pallet with a damage-preventing cardboard separator and to protect the Goods with a protective film at each side). In case the complaint turns out to be unreasonable, the Seller has a right to encumber the Buyer with the costs of complaint proceedings, including the costs of visiting the Buyer and transport and examination of the goods.
- 6.8 Goods from the Seller need to be stored indoors, in clean, dry and ventilated areas. The goods have to be placed on a pallet with a cardboard separator. They need to be properly protected from direct sunlight. The Seller is not responsible for any defects that are caused by improper storage.
- 6.9 The Seller is not responsible for indirect damages and lost benefits, unless they are resulting from a willful misconduct.
- 6.10 Full responsibility of the Seller stemming from the defects cannot exceed the price of the faulty products, with a reservation, that this responsibility is reduced within the scope (down to the limits, amounts, claims etc.) that it is covered by the insurance protection granted to the Buyer on the basis of the Civil Liability insurance agreement. In case of larger or wider claims arising, the Buyer agrees to release the Seller from the debt within the remaining scope.
- 6.11 The Seller grants the Buyer a 6-month warranty period for goods unless otherwise agreed.

ADDITIONAL CLAUSES

- 7.1 The Buyer declares and claims that he has intellectual property rights, including proprietary copyrights to the content, graphical elements, drawings, models, logos, photos etc. transferred to the Seller in order to use them in the printouts design process or a right to use the above content within the scope specified above, including prints requested and ordered by the Buyer.
 - 7.2 In case when, during the execution of the agreement, new content is created, such as print design, with the use of the graphical elements transferred for use by the Buyer, in case there is no other agreement, the Buyer will not be entitled to use this content, beyond the copies hereof delivered by the Seller. The proprietary copyrights to such content, especially designs, print specimens, matrices, will remain with the Seller. Transfer of such rights to the Buyer or granting an authorization to use such rights needs, from time to time, to be confirmed by a proper agreement specifying proper remuneration.
 - 7.3 The Seller may use the product samples and placing the prints on them, produced by the Seller on request of the Buyer (including catalogues, leaflets, advertising clips, sample books, during international fairs and on websites etc.).
 - 7.4 If during execution of the agreement by the Seller any invention or industrial or usability design is created, the industrial proprietary rights are for such solution is to be granted to the Seller.
 - 7.5 The Buyer is obliged to visit the Seller in order to accept any changes of a new film-print design. In case the Buyer resigns from a visit to the Seller on a date indicated by the Seller, the Buyer is to be fully responsible for the substantial and color content of the project and will not complain in any way about quality of the delivered print. Lack of reply to the Seller's call or lack of complaints will be treated as a silent approval.
- Any information and documents regarding the trade conditions of the Agreements made between the Buyer and the Seller are to be treated as a trade secret of the Seller and cannot be disclosed to the third parties without a written consent of the Seller, or used in any other way by the Buyer.
- 7.7 The Seller bears no responsibility whatsoever for the material transferred for further processing by the Buyer, especially within the scope of de-lamination, print errors, film crimps and wrinkles, improper preparation of the laminate for further processing by erroneous connection and other faults. In such case, the Seller, when such faults are detected during the customization process of the materials, has a right to refuse further customization and encumber the Buyer with a cost of PLN 2000 + Value Added Tax for the damages that occurred during the production cycle. In case the laminate with small beams, the Seller may raise the amount of the VAT invoice by 5% for execution of rewinding the film onto larger beams. The same is applicable in case of film that is wound in an erroneous manner.
 - 7.8 The Seller has a right to include costs of PLN 2000 + Value Added Tax in the VAT invoice issued for the Buyer, which would cover the instrumentation of the electrodes and other elements needed to execute the order. This is applicable only in situations when the Seller has no proper tools for execution of the order. The prepared tools are to be treated as property of the Seller and they will remain like that after the order is executed. Other tools that are more complicated and that are not the electrodes or triangles, purpose of which is to laminate and break the film, will be valued individually and valuation is to be accepted by the Buyer.
 - 7.9. Any specifications, tools, matrices delivered to the Buyer by PLASTMOROZ or specially manufactured by the Buyer for PLASTMOROZ within the scope of the Agreement, along with the intellectual property rights will be a sole property of the PLASTMOROZ company, and they need to be returned to PLASTMOROZ at any request from time to time.

FINAL PROVISIONS

- 8.1 Besides the claims defined in the herein GCS, the Buyer has no right of claiming anything else from the Seller, that cannot be effectively limited by the will of the Parties. CGS particularly define the responsibility of the Seller within the scope of improper performance of the Agreement, including the hidden defects.
- 8.2 The Orders (respectively: confirmations and other notifications) will be placed by the parties with the use of one of the following means of information transfer: letter (written form), fax machine, e-mail. In case fax or e-mail, the notification message is to be considered as delivered at the moment of duly printing of the notification by the fax device of the recipient or when the message transferred via e-mail is read and confirmed by the recipient (including the function of confirming the received message).
- 8.3 Order (and other notifications) will be considered to be properly placed on behalf of the Buyer if they are placed by a person who earlier on (in case of preceding orders or other notifications respectively) acted on behalf of the Buyer and the Buyer did not question these actions and considered, even in an implicit manner, these actions to have been carried out on his behalf, until the Seller is notified about withdrawal of proxy (authorization) for that person. This rule is applicable in case of e-mail communication sent from the address from which earlier on orders and notifications were sent on behalf of the Buyer - until the given address is said not to be up to date, and a proper notification is sent to the Seller.
- 8.4 In case of the foreign languages into which the GCS were not translated, Polish version is the sole valid document.
- 8.5 Matters which are not regulated by the GCS are to be a subject of respective regulations of the Polish law.
- 8.6 Possible disputes between the Seller and the Buyer will be settled by a Polish Court, which has a jurisdiction over the Seller's seat.

PLASTMOROZ

The herein GCS are applicable in their entirety and any changes hereof shall be authorized by the PLASTMOROZ company.
Rev. 2.2, valid from Aug. 1. 2018