

**GENERAL TERMS AND CONDITIONS OF CONTRACT
- PURCHASES AND DELIVERIES
TO PFEIFER & LANGEN GROUP COMPANIES IN POLAND
30.01.2018**

§1 GENERAL PROVISIONS

1. These General Terms and Conditions of Contract apply to any and all contracts regarding purchase or delivery of goods to companies – members of the Pfeifer & Langen Group, i.e.:
 - Pfeifer & Langen Polska S.A. with its registered address in Poznań at ul. Mickiewicza 35, 60-837 Poznań, NIP [VAT reg. No.]: 784-00-03-412, District Court for Poznań-Nowe Miasto and Wilda in Poznań, 8th National Court Register Division under number KRS 0000080986, share capital of PLN 96 717 090,40 (share capital paid up in full)
 - Pfeifer & Langen Marketing Sp. z o.o. with its registered address in Poznań at ul. Mickiewicza 35, 60-837 Poznań, District Court for Poznań-Nowe Miasto and Wilda in Poznań, 8th National Court Register Division under number KRS 0000149431, NIP [VAT reg. No.]: 778-11-18-503, share capital of PLN 10,000,000, in which the aforementioned companies act in the capacity of the Purchaser or Ordering Party.
2. The following terms used in these General Terms and Conditions of Contract shall mean as follows:
 - a. **Purchaser/ Ordering Party** – Pfeifer & Langen Polska S.A. or Pfeifer & Langen Marketing Sp z o.o.;
 - b. **Seller/ Supplier** – an economic operator who entered into a Contract with the Purchaser;
 - c. **Delivery / Sale** – depending on the arrangements between the parties: manufacture and issue of or transfer of the title to the Goods by the Seller for/ onto the Purchaser, to the Purchaser's plant or premises or another location agreed by and between the parties;
 - d. **Goods / Object of Delivery** – items delivered by the Seller whose description, specifications, quantities and qualities are stipulated in the Contract, together with the required documents and certificates in the Polish language;
 - e. **GTC** – these General Terms and Conditions of Contract applicable to Contracts to the extent a given Contract does not provide otherwise,
 - f. **Contract** – a contract of sale or delivery entered into by and between the Seller and the Purchaser, specifying at least the Goods, price and the price payment method and deadline, as well as the dates, terms and conditions and location of the Goods issue, the assembly and commissioning; if a separate contract as mentioned above has not been concluded, a memorandum of negotiations (in the event a given bidder has been selected as the Seller of the Goods for the Purchaser) and the Order (provided that the Seller has not immediately refused to accept it) shall constitute the Contract,
 - g. **Order** – order of the Goods made by the Purchaser from the Seller in the written form, by fax or electronic mail, specifying at least the Goods, the price and price payment method and deadline as well as the dates, terms and conditions and location of the Goods issue.
 - h. **Instruction**- Supplier's instruction for compliance with internal OHS, environmental protection and

HACCP requirements which constitute an integral part of the GTC.

3. These GTC and/or the Contract constitute the only contractual terms which are binding upon the parties with regard to the purchase/ delivery of Goods to the Purchaser. Consequently, the parties exclude the application of other contractual templates (general contractual terms, terms and conditions of sale, regulations, etc.), including templates applied and/or determined by the Seller. By filing an offer and joining the negotiations the Seller confirms that he has read the current version of the GTC as well as the Instruction and accepts it. Provisions of the GTC and the Instruction may be amended by the Purchaser by placing their new version at the website: www.diamant.pl, date of entering into a contract determines binding version of GTC and the Instruction. The Supplier undertakes to make his employees, subcontractors and subcontractors' employees familiar with the Instruction.
4. Provisions of the GTC may be amended by the Parties only in writing, otherwise any amendments shall be null and void.
5. Any agreements, assurances, promises, guarantees and changes of the Contract made in any form by unauthorised employees of the Purchaser in connection with the conclusion of a Contract or with an Order shall not be binding.

§2 ENTERING INTO A CONTRACT

1. It is a general rule that the final confirmation and entering into a Contract shall be by duly authorised representatives of the Seller and the Purchaser. The Parties hereby exclude the application of Article 68² of the Civil Code.
2. Submitting an offer of entering into a Contract by the Seller as well as its acceptance or lack of refusal by the Purchaser shall be deemed equivalent to the acceptance of the provisions of the GTC by the Seller. The Contract shall be entered into by authorized representatives of the Parties in writing, in conformity with the template provided by the Purchaser supplemented with provisions agreed by the Parties in the course of the negotiations, or on the basis of the Order, unless the Seller has expressly and immediately refused to accept the Order.
3. Should the parties include in the Contract any provisions which exclude or modify these GTC, such provisions shall expire upon termination of a given Contract and shall not apply to any other Contracts binding upon the parties.
4. Should any changes be introduced in the offer or any objections or comments be made to the offer or to the Order, the Contract shall be entered into no earlier than upon written confirmation by the Purchaser of his acceptance of such changes or objections.
5. The Seller shall be obligated to regularly update the documents and information regarding his business activity and inform the Purchaser of any circumstances that may have a material impact on the Seller's financial standing. The Seller shall bear liability for damages

towards the Purchaser in the event of failure to inform him of the lack or loss of the VAT payer status and shall pay a contractual penalty in an amount corresponding to the charges imposed on the Purchaser and the VAT not deducted by the Purchaser, as well as default interest payable as a result thereof.

§3 GOODS ISSUE

1. The Seller shall deliver the Goods on the date and to the location indicated in the Contract at his own cost and risk. In situations referred to in the Contract, Goods issue shall also involve the Seller's obligation to conduct or to oversee the assembly and commissioning activities and training in the operation of the Goods. The Seller hereby represents that his employees/subcontractors shall comply with the OHS, sanitary and other internal regulations in force at the premises of the Purchaser's plant.
2. The Purchaser shall accept the Goods and shall ensure signing of the handover reports following completion of the handover activities and – if required – proper commissioning within up to 14 days from the date of the start-up, by the representatives of each Party indicated in the Contract. Unless agreed otherwise, deliveries shall be performed according to the DAP rule under the INCOTERMS standards in force, by the deadlines specified in the Contract. In the event of partial deliveries, handover shall be confirmed by partial handover reports.
3. Whenever applicable, relevant documentation shall be delivered together with the Goods in the written form, on carriers and in quantities indicated by the Purchaser in the Contract, in the Polish language, including warranty documents issued by the Seller and parts manufacturers, certificates of quality and other documents required by the Purchaser. Upon receipt of the price for the Goods specified in the Contract the Seller shall transfer onto the Purchaser the economic copyright and neighbouring rights to any and all works (in the meaning of the Copyright Act) developed in the course of performance of the Contract, including in particular to the design documentation and other materials developed by the Seller for the purpose indicated in the Contract, to the extent of all fields of exploitation indicated in Article 50 of the Copyright and Neighbouring Rights Act of 4 February 1994. The Seller shall also transfer upon the Purchaser the ownership title to the physical carriers on which the aforementioned works have been fixed. The Seller hereby undertakes not to exercise any author's moral rights to any works developed in connection with the performance of the object of the Contract and authorises the Purchaser to exercise such rights on behalf of the Seller.
4. The Goods must fulfil the quality requirements stipulated in the Contract.

§4 PRICE

1. The price of the Goods shall be each time determined in the Contract in the net amount. The price shall be increased by the due VAT which is to be settled in conformity with the legal provisions in force.
2. Unless stipulated otherwise by the Parties, the agreed price shall include the packaging, loading and transport.
3. An advance payment shall be made subject to the provision by the Seller of an irrevocable bank or insurance guarantee approved by the Purchaser to the extent of immediate, unconditional return of the

advance payment upon the first demand of the Purchaser, valid throughout the period specified by the Purchaser in the Contract.

4. In the event of a one-off payment, the price shall be payable following the assembly of the Goods to the Purchaser, on the basis of a handover report signed with no objections by the Purchaser. In the event of partial deliveries and/or assembly and commissioning activities, the Seller's remuneration shall payable in conformity with the schedule, on the basis of handover reports signed without objections by the Purchaser, in line with the progress of such activities and partial amounts corresponding thereto.
5. Payment dates, subject to § 6 of the GTC (excluding the advance payment), shall be as follows:
 - a. Advance payment - 14 days following the delivery of the guarantee of return, pursuant to §4 clause 3 of the GTC
 - b. One-off payment – the first Tuesday following the lapse of 30 days from the date of delivery to the Purchaser of an invoice or a correction invoice (or replacement invoice) which fulfils the requirements set out in these GTC with the Goods handover report attached thereto
 - c. Partial payments – in conformity with the Contract, on the first Tuesday following the lapse of 30 days from the date of:
 - i. Delivery to the Purchaser of an invoice or correction invoice (or replacement invoice) fulfilling the requirements set out in section 6 below, together with the handover report signed with no objections by the Purchaser attached thereto, provided that payment of the invoice may be divided into parts and due and payable in conformity with point ii below,
 - ii. Delivery to the Purchaser of handover reports signed with no objections by the Purchaser in line with the progress of activities and the schedule

to the electronic mail address indicated in a separate agreement or to the address indicated in section 6 below. If the payment date falls on a bank holiday then the amount due shall be paid on the first business day following the bank holiday.

6. An invoice fulfilling the requirements referred to in the applicable legal provisions shall be issued in a PDF format pursuant to a separate agreement. Should it prove impossible to comply with the aforementioned method, a written form and the delivery of the invoice to the address of the Finance and Accounting Department of the Ordering Party, i.e. ul. Fabryczna 2, 63-800 Gostyń shall be exceptionally permitted.
7. The Seller shall be responsible for any consequences in the event the Purchaser has not received an invoice fulfilling the requirements referred to in the preceding sentence. In particular, delivery of an invoice in a form other than a PDF file or to an electronic mail address other than the address specified in the separate agreement or specified above shall not result in the commencement of the invoice payment deadline and

consequently the Seller shall not be entitled to any interest for a delay in payment.

8. The Parties agree that amounts due under the Contract shall be paid by bank transfer to the Seller's bank account specified in the Contract. The date of payment shall be the date of filing a bank transfer order at the Purchaser's Bank.

§5 CONTRACTUAL PENALTIES

1. The Goods shall be ready to be issued to the Purchaser on the date specified in the Contract.
2. In the event of delay in the performance of the Contract (in its entirety or of any of its stages, including the start-up), or remedy of any defect of the Goods, the Supplier shall pay to the Purchaser a contractual penalty amounting to 0.5 % of the net price of the Goods for each day of the delay, however no more than 10% of the net price of the Goods.
3. Notwithstanding the contractual penalty, in the event of a delay in excess of 14 days, the Ordering Party shall be entitled to terminate the Contract. Should this be the case, the Supplier shall also pay a contractual penalty to the Ordering Party amounting to 20% of the price of the Goods. The Ordering Party shall also be entitled to terminate the Contract in the event of poor manufacture of the Goods by the Supplier or failure to deliver the required documentation, provided that the preceding sentence shall apply in full.
4. In the event of engaging – in any form whatsoever – of the Purchaser's employees upon performance of the Contract – a contractual penalty of PLN 50,000.00 for engaging one employee of the Ordering Party.
5. In the event of violation by the Supplier's employees/ subcontractors/ subcontractors' employees of the provisions referred to in § 7.1.6 of the GTC and the rules and obligations resulting from the Instruction regarding compliance with environmental protection and HACCP principles in accordance with § 7.1.10 of the GTC - a contractual penalty of PLN 10 000 (in words: ten thousands zlotys) per every instance of violation.
6. In the event of violation by the Supplier's employees/ subcontractors of the provisions referred to in § 3.1 of the GTC, the Supplier shall pay the following contractual penalties to the Ordering Party:
 - i. for failure to use personal protection equipment, such as, among others, protective clothing, helmet, vest, safety footwear – in an amount of PLN 300 per instance of violation by one employee,
 - ii. for failure to use personal protection equipment, such as, among others: hearing and eyesight protection devices, safety suspension equipment, etc. – in an amount of PLN 300 per instance of violation by one employee,
 - iii. for non-compliant workstation organisation, including among others mess, disorder, etc. – in an amount of PLN 500 PLN per instance of violation by one employee,
 - iv. any behaviour of the Supplier's employee which is non-compliant with the OHS provisions and internal procedures in force at the sugar plant and which results in the necessity to repeat the OHS induction training and to engage the sugar plant personnel shall result in charging the Supplier with the cost of training and the

cost of the sugar plant personnel according to an hourly rate – for a training provided by the OHS Officer of the sugar plant – PLN 150,

- v. for bringing alcohol to the premises of the sugar plant by a Supplier's employee – in an amount of PLN 500 per instance of violation by one employee,
- vi. for expelling a Supplier's employee from the premises of the sugar plant in the event of a justified suspicion that such employee has been under the influence of alcohol – in an amount of PLN 500 per instance of violation by one employee,
- vii. for expelling a Supplier's employee from the premises of the sugar plant in the event of theft, i.e. catching such person by a sugar plant employee or a guard with the stolen item – in an amount of PLN 500 per instance of violation by one employee.

7. The Ordering Party shall be entitled to pursue damages in excess of the contractual penalties amount. The Ordering Party may set off a contractual penalty against the remuneration due to the Supplier.

8. The Supplier shall be entitled to terminate the Contract in case of a delay in payment in excess of 30 days. Should this be the case, the Ordering Party shall also pay a contractual penalty to the Supplier amounting to 20% of the price of the Goods.

§6 GUARANTEES AND SECURITY

1. The Supplier hereby grants a guarantee of quality for the Goods for a period no shorter than 36 months from the date of signing of the final Goods handover report with no objections on the part of the Ordering Party or – if the Supplier's obligations include the commissioning – from the date of the final handover report following successful technological commissioning of the Goods.
2. Should any defect be found by the Ordering Party in the Goods or a part thereof the Supplier shall be obligated to remedy the same at his own cost by a mutually agreed deadline immediately following reporting of the defect by the Ordering Party, however the repair activities shall be commenced no later than within 24 hours from the moment of reporting the defect.
3. If for any reasons whatsoever other than a force majeure event the Supplier fails to remedy the defects by the mutually agreed deadline, the Ordering Party shall be entitled to engage another party to remedy such defects without losing any rights under the guarantee and the Supplier shall be obligated to pay any related costs, irrespective of the contractual penalties due and payable to the Ordering Party and compensation, if any.
4. In order to secure proper performance of a Contract the Seller shall pay to the Purchaser a deposit amounting to at least 10% of the net price of the Goods specified in the Contract. The deposit amount shall be payable in line with the Contract, by the date of payment due to the Seller, and in the event of partial payments (other than the advance payment), by the deadline of each such payment, in such amounts that their sum total should correspond to the amount indicated in conformity with the preceding sentence. The deposit shall remain in full force throughout the maximum guarantee period stipulated in the Contract, pursuant to § 6.1 of the GTC (security deposit). Should the Seller fail to pay the

deposit amount by the aforementioned deadline, the Seller shall obligate the Purchaser to deduct amounts due towards the deposit from each payment due to the Seller (except for the advance payment) in such a way that the sum total of the deducted amounts should correspond to the full amount of the deposit. The detailed deposit payment method shall be stipulated in the Contract.

5. A security deposit may be replaced by an unconditional, irrevocable bank or insurance guarantee payable upon the first demand, in an amount of at least 10% of the net amount of the remuneration due to the Contractor specified in the Contract and valid for the maximum guarantee period indicated therein. The template of the guarantee shall be approved in writing by the Purchaser, otherwise it shall not be accepted. The security deposit amount shall be returned to the Seller within 14 days from the date of delivery to the Ordering Party of the bank or insurance guarantee with the wording approved by the Ordering Party.
6. The Ordering Party shall be entitled to use the good performance security referred to in § 9 clause 1 and 2 to meet the costs of remedy of any defects discovered upon the handover procedure and the cost of any guarantee repairs as well as any damages incurred if the Contractor has failed to remedy the defects in conformity with the provisions of the Contract, as well as satisfy any other of his claims.

§ 7 ASSEMBLY AND COMMISSIONING

1. The Supplier shall provide all the procedures and measures which will result in proper implementation of the Subject of the contract, including:

- 1) A report-based takeover of areas on which installation works have been performed;
- 2) Written notification for the Ordering Party informing about the need of additional works which shall be issued within three working days since deciding about the need to undertake such works;
- 3) Ensuring the security of possessions that are in the area of works, especially regarding fire safety measures
- 4) Signing the insurance agreements; insurance of risks concerning the completion of works which amounts to the sum no less than the remuneration stipulated in the Contract. The insurance shall especially include:
 - civil liability with regard to performing works (for possessions' damage and personal damage);
 - casualties of The Supplier's employees and possibly of subcontractor's employees. The scope of insurance shall be approved by the Ordering Party following the receipt of the insurance contribution payment confirmation photocopy.
- 5) Maintaining order in the area of performing works and as well as after completing works which are in the scope of the Subject of the Contract; since the protocol-based takeover of the construction site the Supplier takes over the responsibilities of the manager of the site and shall be liable for damage caused on the construction site to any persons or property regarding the Supplier's employees,

employed subcontractors and the third party; the Supplier shall be liable to immediately inform the accredited representative of the Ordering party as well as the construction control inspector about the detection of any damages on the construction site, including damages made by the third party;

- 6) The Supplier takes over the environmental protection responsibilities on the construction site and shall be charged with those costs, especially regarding disposal of packages, discards and waste arising in connection with the completion of the Subject of the Contract. The Supplier shall be liable for carrying out responsibilities resulting from the environmental protection and waste management on the construction site. Packages, discards and waste disposal shall be performed on an ongoing basis, so that the area of works is kept in order and waste is not stored on this area; all the waste made in the process of completion of the subject of the contract is the possession of the Supplier and the Supplier shall be liable for handing them over to specialised companies which have the necessary permission for waste collection; the Supplier will present the Ordering party Waste Transfer Cards once the Subject of the Contract has been completed.
- 7) Notifying the Ordering Party about the readiness for the acceptance procedure within the time period prescribed in the Contract;
- 8) Ensuring that all the Supplier's employees completing the Subject of the Contract have:
 - relevant to the scope of the Contract, appropriate professional qualification
 - valid medical examination
 - training in compliance with applicable industrial and fire protection regulations
 - casualty insurance
- 9) The Supplier is obliged to perform additional works with related to the if the Ordering Party considers it necessary. For any additional works performed the Supplier will receive remuneration determined in the Annex to the Contract, whereby the settlement of performed works is carried out on the basis of post-completion costing, prepared by the Supplier on the basis of the measurement of works that is signed by the Ordering Party's representative.
- 10) The Supplier shall commit its employees (or subcontractors etc. hereinafter referred to as "The Employees") to abide industrial and fire protection regulations, sanitary regulations, environmental protection regulations, HACCP and especially with regard to the internal rules of the Ordering Party concerning the area of production plant in accordance with principles listed in the Instruction..
- 11) The Supplier is obliged to act reasonably in the scope of the aims of the environmental protection (in the area of ordering production plant as well as outside of it) in order to minimise the danger and inconsistencies with regard to persons and

possessions, resulting from pollution, noise and other results of The Supplier's works. The Supplier shall not allow for the usage of dangerous harmful materials.

- 12) The Supplier shall deliver The Ordering Party all the necessary manuals, operating and maintenance manual, safety certificate, technical approvals, protocols, attestations, certificates of approval and others.

§ 8. SUBCONTRACTORS

1. The Contractor undertakes to perform the Object of the Contract personally / using his employees.
2. Entrusting strictly defined parts or all works covered by the Object of the Contract to third parties shall require the prior written consent of the Employer. The Employer may refuse to accept the employment of a subcontractor or make it contingent upon an additional security in the form of a bank/insurance guarantee or an additional deposit from the amounts paid to the Contractor against the return of the remuneration paid by the Employer to subcontractors. The Contractor, at the request of the Employer, shall be obliged to report to the Employer the status of his obligations towards the subcontractors, and immediately provide any other information requested by the Employer.
3. Entrusting some of the works to other entities by the Contractor may not result in an increase of the remuneration due to the Contractor for the delivery of the Object of the Contract.
4. In the event of the Contractor using the assistance of subcontractors, he shall be obliged to use only professional entities and shall bear full responsibility for the actions performed by the entities entrusted with the performance of the works on the risk basis, as if he himself acted or failed to act.
5. In the event of performance of any works by subcontractors, the Contractor agrees to timely pay any amounts due to them. In the event when the amounts due to subcontractors have been paid by the Employer, the Employer shall deduct the amounts paid to the subcontractors from the Contractor's remuneration, and then from the security deposit. If the Employer receives information about any payment arrears of the Contractor with regard to subcontractors, the Contractor shall be obliged to establish security for any recourse claim of the Employer against the Contractor on account of satisfying the Subcontractor's claims, under the pain of termination of the Contract by the Employer through the Contractor's fault.
6. The Contractor undertakes to ensure that his subcontractor performs the aforementioned obligations towards a further subcontractor (counterparty). The above provisions shall be fully applicable to the subcontractor's contractor, whereby the Employer shall be entitled to retain payments to the Contractor, demand a security from the Contractor, in relation to the subcontractor's obligations to his counterparty.

§9. DETAILED PROVISIONS PERTAINING TO THE PURCHASE OF PACKAGING MATERIALS (FOR THE PURPOSE OF PACKING SUGAR IN UNIT AND BULK PACKAGING)

1. The Seller shall provide the Purchaser with details of the packaging materials delivered thereby, i.e. the technical parameters of paper and materials used to manufacture the packaging for the goods manufactured and/or sold by the Purchaser.
2. Before the first delivery, the Seller shall deliver the documents indicated below to the Purchaser, on pain of termination of the Contract and/or refusal to collect the Order due to the Seller's fault:
 - a) a food contact compliance certificate,
 - b) a declaration of compliance with the good manufacturing practice and with the legal provisions while manufacturing food packaging materials,
 - c) a declaration of compliance with REACH requirements,
 - d) a declaration of compliance with environmental protection requirements, such as recyclability, multiple use, biodegradability, disposal method,
 - e) a declaration of product conformity with the applicable EU and Polish regulations concerning direct food contact packaging materials.
3. The Seller shall attach a certificate specifying the quality parameters of the delivered packaging materials to each delivery.
4. Should any missing items or quality defects be found in the delivered packaging materials the Purchaser shall submit a complaint within a deadline no longer than 14 business days from the date of discovery of such missing items or defects. Lack of response to a complaint within 14 business days from the date of its submission shall be deemed as acceptance of the complaint by the Seller. The Seller shall collect the defective batch of packaging materials at his cost and shall issue a correction invoice for the defective or missing quantity of goods and the Purchaser shall retain the right to pursue further claims for damages incurred thereby.
5. Should the delivered packaging materials be of insufficient quality to meet the hygienic requirements (e.g. they contain foreign bodies, hair, insects, etc.) and fail to comply with the declarations or meet the obligations arising from the declarations referred to in § 7.2 of the GTC, the Seller shall not be entitled to payment for the contested packaging materials and shall be obligated to:
 - a) cover the cost of recall of the contested packaging materials from the sugar plant and from the Purchaser's customers;
 - b) cover the cost of products purchased from third parties to make up for the contested packaging materials in an amount of the difference between

- the cost incurred and the price as per the Contract or a given Order
- c) cover any and all costs incurred by the Purchaser and/ or pay compensation to the Purchaser for the damages incurred by him as a result of failure to meet the Seller's declarations referred to in § 7.2 of the GTC;
 - d) return the price paid by the Purchaser, no later than by the deadline specified in the Purchaser's statement

The Purchaser shall be entitled to terminate the contract to the extent of the aforementioned contested packaging materials, to deduct the aforementioned costs/ damages and the price paid for them by the Purchaser from the current amounts due to the Seller. The Seller hereby authorises the Purchaser to do so.

- 6. Order completion deadline shall be maximum 7 days from the date of Order submission.
- 7. Goods shall be delivered on pallets, properly protected and marked with an appropriate label, containing information specified by the Purchaser included in the bar code.
- 8. The basic quality parameters of the delivered goods, detailed prices for specific product lines depending on payment dates, method of settlement of exchange rate gains/losses and the terms of delivery are set out in appendices to the Contract or Order, which form their integral part, and which may be amended exclusively in writing, otherwise any amendments shall be null and void.

§10. CONFIDENTIALITY

- 1. The Parties to the Contract shall keep secret any and all information, including in particular information regarding prices of the Goods, that they have learned upon implementation of the Contract. This restriction shall not apply to information which is in public domain or information that has to be disclosed by a party upon request of an authorised governmental body pursuant to mandatory legal provisions or in order to duly perform the Contract.
- 2. The Parties shall comply with the confidentiality obligation also following termination of the Contract, regardless of the reason for such termination.

§11. FINAL PROVISIONS

- 1. The Supplier shall keep secret and shall not disclose any confidential information concerning the Ordering Party of which he has become aware in connection with the performance of the Contract, as well as any information concerning the object of the Contract; he shall not use such information for his own purposes or for the purposes of any third parties. The Supplier hereby represents that he shall ensure that his employees, subcontractors and other persons acting for and on his behalf shall also comply with the aforementioned confidentiality obligation.
- 2. The Ordering Party shall be entitled to set off any amounts due to him from the Supplier against the Supplier's claims on account of the price.

- 3. Should any provision of the Contract become null and void or ineffective in full or in part this shall not affect the validity of the remaining provisions of the Contract. An ineffective or invalid provision shall be replaced by an effective or supplemented with a new provision as close as possible to the provisions of the Contract and best reflecting the economic purpose intended by the Parties.
- 4. The Parties agree that any disputes that may arise out of or in connection with this Contract shall be settled amicably.
- 5. Should any possibilities of amicable solution of the dispute be exhausted, the dispute shall be submitted to the jurisdiction of Polish courts - a competent court of law with jurisdiction over the Ordering Party's registered address. This Contract and the rights and obligations of the parties hereunder shall be governed by the laws of the Republic of Poland. The Parties hereby exclude the application of the United National Convention on Contracts for the International Sale of Goods of 11 April 1980 in its entirety.
- 6. Sale of the Supplier's claims towards the Ordering Party under a contract requires a prior consent of the Ordering Party expressed in writing, otherwise being null and void.
- 7. Any change of the provisions of the Contract shall be made upon consent of both parties expressed in writing in the form of an annexe, otherwise being null and void.
- 8. A notice of termination of the Contract shall be in writing, otherwise being null and void.
- 9. Should these GTC or the Contract be executed in other language versions, the Polish version of Contract shall always provide the basis for interpretation.

Appendix:

- 1) template of the contract
- 2) template of an order

Contract

Entered into on _____, by and between:

PFEIFER & LANGEN _____ with its registered address in Poznań, ul. Mickiewicza 35, 60-837 Poznań, entered in the register of economic operators kept by the District Court for Poznań - Nowe Miasto and Wilda in Poznań, 8th Commercial Division of the National Court Register under number KRS _____, NIP [VAT reg. No.]: _____, share capital of: PLN _____ (share capital paid up in full), hereinafter referred to as the **Purchaser**, represented by:

and

capital company:

_____ (trade name) with its registered address in _____ NIP [VAT reg. No.]: _____ entered in the register of economic operators kept by the District Court for _____ Commercial Division of the National Court Register under number KRS _____, share capital of PLN _____ represented by:

_____ - _____

Sole trader:

_____, running a business activity _____, in _____, NIP [tax reg. No.]: _____, PESEL [personal identification number]: _____ hereinafter referred to as the **Seller**

This Contract is entered into on the basis of the General Terms and Conditions of Contract – Purchases and Deliveries to Pfeifer & Langen Group companies in Poland (henceforth: the GTC), which have been approved by the Seller, memorandum number _____ dated _____, an offer dated _____, provided that the provisions of the Contract shall prevail.

§ 1 Object of the Contract (Object of Delivery or the Goods)

- The Seller shall manufacture _____ deliver / sell it to the Purchaser and to install it in the Purchaser's plant in _____, together with the _____ documentation in the Polish language (henceforth: Object of Delivery). Detailed parameters of the Object of Delivery:

- Place of delivery of the Object of Delivery:

- Documentation / Specifications:
 - to be delivered by the Purchaser:

2) to be delivered by the Seller and issued to the Purchaser:

- _____
_____, _____ form:
_____, _____ in _____ language:

- _____
_____, _____ form:
_____, _____ in _____ language:

- _____
_____, _____ form:
_____, _____ in _____ language:

- _____
_____, _____ form:
_____, _____ in _____ language:

- Dates of completion of the Object of Delivery:
 - Date _____ of _____ commencement:

 - Date _____ of _____ completion:

 - Date _____ of _____ instalment:

 - Date _____ of _____ commissioning:

 - Schedule of works and expenditures:

§ 2 Other obligations of the Seller

- The Seller hereby undertakes to:
 - remedy defects in the Object of Delivery (or its components) discovered during the handover activities, by a mutually agreed deadline, no longer than _____
 - remedy defects in the Object of Delivery (or its components) during the defects liability period under the guarantee of quality granted for the Object of Delivery, by a mutually agreed deadline, no longer than _____
 - notify the Purchaser in writing of the readiness for the handover and start-up of the Object of Delivery at least _____ days in advance
 - conduct the instalment of the Object of Delivery by _____ since (date) _____; the instalment works include: _____
 - conduct pre-commissioning works on the Object of Delivery within _____ of the date of _____; perform the commissioning by: _____
 - conduct training of employees specified by the Purchaser in the operation of the Object of Delivery by _____
 - pay contractual penalties in conformity with the GTC.

§ 3 Remuneration of the Seller / Price

- The Parties agree that the total lump-sum remuneration due to the Seller for the performance of all the activities covered by this Contract / the price of the Goods shall amount to _____ (say: _____). The aforesaid

amount is net of VAT and its shall be increased by the goods and services tax in conformity with the applicable regulations and at the rate currently in force/ the said tax shall be settled in conformity with the legal provisions in force.

2. The remuneration / price shall be paid in the following way **(delete as appropriate):**
 - 1) ____ % of the amount referred to in clause 1 plus the due goods and services tax, i.e. an amount of _____ - an advance payment – payable within 14 days following the delivery by the Seller of the original irrevocable bank guarantee securing the return of the advance payment amount, including unconditional payment upon the first demand of the Purchaser, valid until _____ approved by the Purchaser.
 - 2) ____ % of the amount referred to in clause 1 plus the due goods and services tax – pursuant to an invoice issued following the delivery and instalment of the Goods / Object of Delivery and signing of the handover report, payable in the following way:
 - a) _____ (say: ____) following the delivery and instalment and signing of the handover report
 - b) _____ (say: _____) – after successful pre-commissioning and signing of a pre-commissioning report.
 - c) _____ (say: _____) - after successful commissioning and signing of the final handover report including a security deposit.
3. The payment deadline to the extent of:
 - 1) the amount referred to in § 3 clause 2 point 2 letter a), including the security deposit, shall be the first Tuesday falling after the lapse of 30 days from the date of delivery to the Purchaser of an invoice or correction invoice (or replacement invoice) together with the Object of Delivery handover report attached thereto
 - 2) the amounts referred to in § 3 clause 2 point 2 letters b) and c), including the security deposit, shall be the first Tuesday falling after the lapse of 30 days from the date of delivery to the Purchaser of the final acceptance report confirming successful pre-commissioning and commissioning.

Payment shall be made to the Purchaser's bank account: _____

§ 4 Implied warranty for defects, guarantee, remedy of defects by third parties

1. Guarantee period: _____.
2. Defects remedy deadline – in conformity with § 2 clause 1 points 1 and 2.

§ 5 Contract performance security

1. A security amounting to _____ for the term of validity of the guarantee in the form of a guarantee deposit deducted from amounts due or until the delivery of an unconditional, irrevocable insurance or bank guarantee payable upon the first demand in conformity with the template approved by P&L.
2. The deposit shall be paid in the following manner:

§ 6 Insurance

The Purchaser hereby declares that he has a valid business civil liability insurance with the sum insured amounting to PLN _____.

§ 7 Persons responsible

1. The following persons shall be responsible for overseeing the performance of the Contract:
 - 1) On behalf of the Seller:
 - a) in scope of: _____;
 - b) in scope of: _____;
 - 2) On behalf of the Purchaser:
 - a) in scope of: _____;
 - b) in scope of: _____;
2. Each of the Parties appoints a security and healthcare coordinator:
 - 1) On _____ behalf _____ of _____ the Purchaser: _____; telephone number _____
 - 2) On _____ behalf _____ of _____ the Seller: _____; telephone number _____

§ 8 Other provisions

The Seller:

The Purchaser:

Appendices:

1. Schedule of works and expenditures;
2. Memorandum dated _____;
3. Offer no. _____ dated _____;
4. Seller's insurance policy