

**GENERAL TERMS AND CONDITIONS OF CONTRACTS OF SALE
COMPANIES BELONGING TO THE PFEIFER & LANGEN GROUP IN POLAND
in force from 22.11.2017**

§1 General Provisions

1. These General Terms and Conditions of Contracts of Sale apply to all sales contracts concluded by companies belonging to the Pfeifer & Langen Group, i.e.:
 - Pfeifer & Langen Marketing Sp. z o.o. with its registered seat in Poznań, ul. Mickiewicza 35, 60-837 Poznań, District Court Poznań - Nowe Miasto and Wilda in Poznań, 8th Division of the National Court Register, KRS 0000149431, NIP [VAT reg. no.] 778-11-18-503, share capital of PLN 10,000,000,
 - Pfeifer & Langen Polska S.A. with its registered seat in Poznań, ul. Mickiewicza 35, 60-837 Poznań, NIP [VAT reg. no.] 784-00-03-412, District Court Poznań - Nowe Miasto and Wilda in Poznań, 8th Division of the National Court Register, KRS 0000080986, share capital of PLN 96,717,090.40 (fully paid up)
2. where any of the above companies acts in the capacity of the Seller.
2. The following terms used in these General Terms and Conditions of Contracts of Sale shall have the following meanings:
 - a. **Seller** – Pfeifer & Langen Polska S.A. or Pfeifer & Langen Marketing Sp z o.o.;
 - b. **Buyer** – each economic operator who concluded a Contract with a Seller;
 - c. **Delivery** – depending on agreement between the parties: issue of the Goods by the Seller to the Buyer or delivery of the Goods to the Buyer's plant, or to any other location agreed by and between the parties;
 - d. **Goods** – products owned by the Seller, being the subject matter of the Contract. Unless agreed otherwise, the Goods shall be delivered in conformity with the quality and packaging specifications adopted by the Seller;
 - e. **Other Returnable Packaging** – plastic pallet or IBC container, being Seller's property, used for delivery of the Goods to the Buyer;
 - f. **GTCCS** – these General Terms and Conditions of Contracts of Sale applicable to Contracts to the extent a given Contract does not include separate regulations;
 - g. **Contract** – a sale contract concluded by and between the Seller and the Buyer, setting out at least the subject matter, price and delivery terms; in the event that the parties have not concluded a framework co-operation agreement, each transaction of the sale of Goods shall be considered a separate Contract, governed by these GTCCS;
 - h. **Order** – a written order, made by fax or electronic mail by the Buyer, concerning the delivery of the Goods under the Contract. The Order shall specify at least: the particulars of the Buyer, detailed quantity and name of the object of the Order, date and place of the Delivery and any other information indispensable to properly execute the Order;
3. These GTCCS and/or the Contract constitute the only contractual regulations binding the parties to the extent of the sale of Goods. Consequently, the parties exclude the use of other contractual forms (general terms and conditions of contract, terms and conditions of sale, by-laws and regulations, etc.), including contractual forms used and/or determined by the Buyer.
4. Provisions of these GTCCS may be changed exclusively in writing, otherwise such changes shall be null and void. By concluding a separate Contract the parties may exclude the application of these GTCCS only to the extent regulated otherwise in the Contract.
5. Any agreements, assurances, promises, guarantees and changes of the Contract made verbally by unauthorised employees of the Seller in connection with the conclusion of the Contract or with the Order shall not be binding.

§2 Conclusion of a Contract

1. Any decisions concerning the wording of the Contract shall be binding for the Seller exclusively provided that they have been made by the Seller's employee in one of the following positions: Director of Sales, Key Account Manager, Account Manager, Product Manager, Export Manager.
2. If the purchase offer is filed by the Seller according to §2 section 1, by submitting the Order the Buyer accepts these GTCCS. In the event a purchase offer is made by the Buyer, a Contract shall be concluded only subject to an express confirmation of acceptance of the offer made in writing, by fax or electronic mail, by persons referred to in §2.1. Filing a purchase offer shall be deemed equivalent to the Buyer's acceptance of all provisions of these GTCCS.
3. In the event that the parties incorporate in the Contract provisions which exclude or modify these GTCCS, such provisions shall expire as at the date of termination of a given Contract and they shall not apply to any other Contracts binding the parties.
4. In the event of any modification of the Seller's offer or introduction therein of any reservations by the Buyer, the Contract shall be concluded not earlier than upon a written confirmation by the Seller of acceptance of the Buyer's changes or reservations, provided that the said confirmation may be sent by electronic mail or by fax.
5. The Buyer shall update documents and information concerning his business activity on a regular basis and inform the Seller of any circumstances that may have a material impact on the Buyer's financial standing.
6. Purchase offers signed by persons authorised to represent the company or by a proxy (together with a respective power of attorney) shall be accepted exclusively in writing (including by electronic mail or fax).

§3 Delivery

1. The Seller shall make the Delivery of the Goods against the Buyer's Order. The Seller shall be entitled to refuse to make a Delivery not later than within two business days of receipt of the Order. Unless agreed otherwise, a delivery shall be made on an EXW (Ex Works) basis according to INCOTERMS, by the date indicated in the Order and/or confirmed by the Seller. Goods may not be returned or replaced, except in the events set forward in the provisions of § 7 of these GTCCS.
2. The Seller's liability for damages for undue performance of the Contract shall be limited to the value of a given Order. The Seller shall not be liable for any lost profits.
3. The Buyer shall be obligated to collect the Goods in compliance with the agreed date and quantity of the delivery. The Buyer shall file Orders systematically, based on the schedule of deliveries, if such schedule has been agreed. In the event of the Buyer's failure to comply with the schedule of deliveries the Seller shall be entitled, at his discretion, to withdraw from the Contract in the scope of the Goods not collected according to the delivery schedule or to make use of the right deriving from art. 551 §2 of the Civil Code. In any case the Buyer shall reimburse the Seller for loss suffered by the Seller as a result of a non-fulfilment of the Contract obligation by the Buyer. Unless provided otherwise in the schedule of deliveries, the Seller reserves the right to refuse to Deliver the Goods if the quantity of the Goods to be delivered to the Buyer on a given business day exceeds one full vehicle trip compliant with the legal provisions in force according to the logistics standard agreed between the Parties.
4. In order to identify the Buyer's driver upon collection of the Goods by the Buyer from the Seller, the Buyer shall send an email or fax to the Seller in due advance confirming the driver's authorisation, including at least the first and last name of the driver, the number of the driver's ID document, registration number of each vehicle of the truck, the date and anticipated time of collection of the Goods. In the event of non-compliance of any of the aforementioned details the Seller shall be entitled to refuse to make the Delivery at the risk and cost of the Buyer. The Buyer's driver shall be authorised to perform the activities referred to in §5 item 2 and 3 of these GTCCS on behalf of the Buyer.
5. Lack of delivery of the Goods as a result of occurrence of circumstances beyond the Seller's reasonable control and for which the Seller is not responsible (force majeure) shall not constitute a violation of the Contract or of these GTCCS.
6. Weight of the delivered Goods shall be determined on the basis of the reading of the weighing equipment at the Seller's plant. In the event of any discrepancies between the reading of the measurement at the Buyer's plant following the delivery and the measurement at the Seller's plant, only divergences exceeding 0,5% of the weight as per indications in the Seller's plant will be corrected.
7. Any contractual penalties on account of improper delivery or lack of delivery of the Goods shall not be imposed on the Seller if the Seller ensured due diligence and properly informed the Buyer in due advance that the delivery may not be executed or it will be executed without compliance with the Order.

§4 Price

1. The price of the Goods shall be each time specified in the Contract and it shall apply on the date indicated in that Contract.

2. Any and all prices provided by the Seller are net prices, and they shall be increased by the applicable goods and services tax, according to the rate in force as at the date of issue of the VAT invoice by the Seller.
3. Unless agreed otherwise by the Parties, the agreed price shall include packaging and loading. The price shall not include the cost of pallets and pallet containers, on which the Goods are delivered.
4. All prices are expressed in Polish zlotys, unless the Contract or price lists provide otherwise. If the price is indicated in foreign currency, both the price and the VAT tax accounted as per section 2 above (gross price), will be due to the Seller in this foreign currency.
5. Unless agreed otherwise, the Buyer shall pay the amount due on account of the sale of the Goods by way of pre-payment prior to the performance of the Delivery; otherwise the Seller shall be entitled to refuse the Delivery at the Buyer's risk and cost. Payment shall be deemed made on the date of crediting the Seller's bank account with the respective amount.
6. Should the Buyer fail to pay for any Order, in full or in part, the Seller shall be entitled to cancel the Order and suspend subsequent Deliveries until the Buyer has paid the outstanding amounts and provided security, acceptable to the Seller, for subsequent payments.
7. The Buyer may set off his claims against the Seller's claims and/or make an assignment thereof exclusively subject to prior written consent of the Seller.

§5 Pallets (this does not apply to the sale of Goods using road tankers and to molasses or beet pulp) and Other Returnable Packaging

1. The Seller shall deliver the Goods packed on returnable, used EURO and/or EPAL pallets, compliant with the marketability requirements in conformity with the standards EN 13698-1, UIC 435-2 and PN-M-78216.
2. In the event that the Buyer has any objections to the quality of the pallets he shall be obligated to make photographic documentation of the identified defects and send it without undue delay to the Seller's registered seat, as well as by electronic mail to the address indicated by the Seller; otherwise, provisions of item 4 shall apply.
3. Upon Delivery, the Buyer shall be obligated to provide the Seller with replacement EURO/ EURO EPAL pallets, which fulfil the marketability requirements in conformity with standards mentioned in section 1 above. The number of pallets to be transferred by the Buyer shall be equal to the number of pallets received from the Seller upon Delivery of the Goods, and their quality shall not be worse than the quality of the pallets received.
4. The number of pallets, their quality and fulfilment thereby of the requirements referred to hereinabove shall be confirmed by the carrier or Seller's employee in the pallet docket.
5. Should the Buyer fail to provide the pallets in compliance with the provisions of this paragraph, the Seller shall charge the Buyer for each pallet with an amount corresponding to the current pallet purchase price applicable as at the date of charging by the Seller, increased by the due VAT. The amount due for the non-returned pallets shall be payable within 7 days of the date of issue of the invoice for the pallets.
6. The Buyer will return Other Returnable Packaging as agreed by the parties, under pain of the Seller having right to charge the Buyer for each Packaging as per section 5 above. When being at Buyer's disposal, Other Returnable Packaging cannot be used for storage, transportation or reloading of any goods not being property of the Seller, or transferred by the Buyer to third parties.

§6 Insurance of payments (applicable to forms of payment other than prepayment)

1. The Seller hereby declares that he uses the services of trade credit risk insurance. Based on the evaluation of the Buyer's creditworthiness, the insurer determines the accounts receivable limit up to which Contracts may be performed (further: **credit limit**). In the event that the Buyer has reached the credit limit, the Seller shall be entitled to suspend Deliveries as long as the balance of accounts receivable is sufficiently reduced.
2. In the event of cancelling or reducing the credit limit by the Insurer, the Seller shall be entitled to refuse to execute pending Deliveries until the Seller's bank account is credited with the amounts due for the already performed Deliveries (the respective date shall be the date of crediting the Seller's bank account with the appropriate amounts). In such case the parties shall agree on another form of securing payment of amounts due (e.g. prepayment or guarantee) by the deadline determined by the Seller in writing. If no agreement is reached by the abovementioned deadline, subsequent Deliveries will be performed with a payment date indicated in the Contract up to the amount of the current credit limit or against prepayment.

§7 Warranty for defects

1. The Seller shall be liable under the warranty for physical defects of the Goods as per following provisions only in the event that the characteristics of the Goods do not comply with the respective requirements set forward in the legal regulations in force and do not comply with the provisions of the Contract.
2. Defects of part of the delivered Goods do not give the right to file complaints regarding the entirety of the Goods.
3. Upon Delivery, the customer shall verify the quantity of the ordered Goods, whereas the quality thereof shall be verified within five business days of the Delivery date and on that date the Seller shall be notified of the defects of the Goods, if any. A complaint shall be made in writing, including by fax or electronic mail, specifying the lot of the Goods to which it refers, the quantity and the reasons for the complaint. After the expiry of the deadlines referred to in this paragraph, any rights under the warranty for defects of the Goods shall expire.
4. In the event of notification of any defect in the Goods, the Buyer shall be each time obligated to make the defective Goods available to the Seller, in order that they could be checked.
5. Within 7 business days of being notified of the defects the Seller shall confirm whether he accepts the Buyer's complaint in full or in part, or whether he rejects the complaint. In the event of acceptance of the complaint, the Seller shall correct the respective invoice and set off the balance of payment surplus against the payment under a subsequent transaction, or – subject to an approval of both parties – he shall replace the defective lot of the Goods within three business days.
6. A complaint shall not be accepted, among others, in a situation when the Goods have been modified or processed by the Buyer or by a third party.
7. The Seller's liability shall not include any defects of the Goods that have occurred as a result of improper unloading, any defects that have occurred following the acceptance of the quality of the Goods by the Buyer, including defects that have occurred as a result of improper storage of the Goods.

§8 Confidentiality

1. The Parties to the Contract shall be obligated to keep secret and confidential any and all information, in particular information on prices of the Goods, which they have received in the course of performance of the Contract. The confidentiality obligation does not apply to information which is generally available or information which must be disclosed by a party at the request of an authorised governmental body pursuant to mandatory provisions.
2. The confidentiality obligation shall be complied with by the parties also following termination of the Contract, regardless of the reason for such termination.

§9 Final Provisions

1. Any and all changes of and additions to the Contract or to the GTCCS shall be made in writing by duly authorised representatives of the parties, otherwise being null and void.
2. Should any individual provisions of these GTCCS appear contradictory to the law in force or be considered invalid or unenforceable pursuant to a decision of a competent court, this shall not affect the validity and enforceability of the remaining provisions. In such an event, the parties shall appropriately amend such provisions preserving the original intention of the parties.
3. The performance of the Contract and settlement of any disputes that may arise out of or in connection with the performance of the Contract shall be governed by Polish law, and any and all disputes shall be settled by a competent court with jurisdiction over the plaintiff's registered seat.

Appendix no 1
to the GENERAL TERMS AND CONDITIONS OF CONTRACTS OF SALE
COMPANIES BELONGING TO THE PFEIFER & LANGEN GROUP IN POLAND
reg. sale in accordance with EXW rules

This Appendix applies and refers to the establishment of the rules for realization of deliveries in accordance with EXW rules. Responsibility and the risk of damage or loss is transferred to the Buyer when the goods are loaded. The definitions adopted in GTCCS shall apply equally for the purpose of this Appendix. In accordance with this Appendix, employees employed in positions: Key Account Manager, Customer Service Specialist and in the scope of pallets: Warehouseman- are duly authorized to perform the activities of the Seller under realization of EXW deliveries.

1. The Buyer confirms, in consultation with the Seller, the place, date and hour of the Goods collection.
2. For the purpose of a vehicle notification at the place of loading and for the identification of the driver of the Buyer, the Buyer shall send, before loading, to the Seller an e-mail with authorization for the driver including at least: the Driver's name and surname, the driver's ID number, the registration number of each section of the vehicle, and the date with the estimated hour of the Goods collection as well as the Driver's consent for the processing of the aforementioned data for the Contractual purposes. Any discrepancy between the aforementioned data or the lack of the Driver's consent, as above, shall entitle the Seller to refuse the delivery of the Goods at the Buyer's risk and responsibility. The Driver of the Buyer shall be entitled to perform actions under §5 section 2 and 3 of GTCCS.
3. The Buyer receives from the Seller the number of a transport order, as the basis for the entrance to the loading place.
4. Prior to loading, the Driver is obliged to transfer the number of EUR pallets, compliant with norms under §5 section 1 of the GTCCS, equal to the number of the pallets released together with the ordered Goods. The Driver shall not transfer the pallets to the Seller if the Buyer purchases the Goods with the pallets.
5. If a vehicle does not conform to the fixed standards of cleanliness, integrity and lack of extraneous odours the Warehouseman shall make an appropriate entry in the inspection chart of the vehicle. Such information shall be passed on to the Buyer by telephone call and via e-mail. Until a decision regarding loading or withdrawal of a particular vehicle has been taken by the Buyer, loading shall be suspended. The final decision, in a written form, shall be taken by the Buyer at his own risk and responsibility, excluding warranty of the Seller and with the exception for the liability for defects present in the Goods before loading.
6. The Seller shall be obliged to transfer the Goods to the indicated loading platform.
7. Loading is performed by the Driver of the Buyer, using electric lift pallet-trucks, in accordance with the security requirements and with the reservation for section 9 below.
8. The Driver shall be obliged to comply with the OHS and hygiene rules listed in the information board present in every reception.
9. The Seller shall load: beet pulp Tofi packed in bags of 30 kg on pallets or in bulk, molasses and molasses drink Tofi.
10. Everyone entering the grounds at the Buyer's disposal shall strictly observe Food Defense Policy of the Seller.