

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

**§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. The following terms used in these General Terms and Conditions of Contracts of Sale shall have the following meanings:
  - a. **Seller** – Pfeifer & Langen Marketing Sp z o.o. or Pfeifer & Langen Polska S.A.;
  - 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, completed upon the order confirmed by the Seller
  - h. **Order** – a written order (offer), made by the Buyer via electronic mail or any other electronic ordering system accepted by the Seller, concerning the delivery of the Goods under the framework co-operation agreement or a separate 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. The change of these GTCCS in a particular contract shall not apply to any other contract concluded by the parties. By issuing the order the Buyer confirms that valid GTCCS have been read and accepted and commits to comply with the provisions of the GTCCS. New versions of the GTCCS or their annexes shall be valid once they are published on the website: [www.diamant.pl](http://www.diamant.pl). The valid version of the GTCCS shall be determined by the date of making the Order or/ and concluding a 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, Sales Manager, Key Account Manager, Account Manager, Product Manager, Export Manager and Junior Key Account Manager. Binding offers shall also be made by the Seller's Customer Service Specialist.
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 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).

**§3 Delivery**

1. The Seller shall make the Delivery of the Goods against the Buyer's Order. The Seller shall be entitled, not later than within two business days of receipt of the Order, to refuse to make a Delivery on time, entirely or in part under provisions of section 6 and 7 below. Unless agreed otherwise, a delivery shall be made on a DAP basis according to INCOTERMS, by the date indicated in the Order, no less than 2 days 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. In the case of the supply completed under the Contract in line with EXW Appendix 1 of these GTCCS shall bind.
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. 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.
5. Weight of the delivered Goods shall be determined on the basis of the reading of the weighing equipment at the Seller's plant.
6. 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.
7. Deliveries executed by the Seller in line with DAP rules shall be performed under the following principles:
  - a) FTL orders (22 up to 24t of load): if submitted before 10 a.m. - the delivery within 48 hours
  - b) LTL orders (less than 22t of load): the delivery executed within three business days from the date of delivery indicated in the order
  - c) the supply is performed from Monday to Friday from 7 a.m. to 4 p.m.
  - d) the Buyer shall ensure the unloading, including the necessary equipment and shall be responsible for the OHS application
  - e) the return of the pallets shall be performed according to the § 5 of these GTCCS.

**§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. Unless agreed otherwise the price shall not include the cost of pallets and pallet containers, on which the Goods are delivered, clearing of the pallets shall be made in line with §5 of these GTCCS.
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 cars, 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. The assessment of pallets is made on the basis of the valid version of the ECR Pallets' Assessment Chart.
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 the section 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**). Only in the event that the credit limit is granted, binding and not exceeded can the payment be postponed and made following the Delivery, each and every time according to the Contract. In the event that the Buyer has reached the credit limit, the Seller shall be entitled to refuse or suspend Deliveries as long as the balance of accounts receivable is sufficiently reduced which shall not mean the failure to perform the Contract. The change of the credit limit indicated in the Contract shall not require the change of the Contract and shall be made by informing the Buyer, in writing (including electronic mail).
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, in accordance with the conditions provided in section 1 sentence 3.

**§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, improper storage of the Goods or defects resulting from the condition of the packaging, providing the Buyer shall fail to inform the Seller according to the § 7 section 3 of these GTCCS.

**§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, provided another form has not been agreed regarding individual provisions of these GTCCS and/ or the Contract 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.