



LIBERTY

General Conditions of Sale of Liberty Commercial PL sp. z o.o.

1. SCOPE – COMPLETE AGREEMENT

1.1 These general conditions of sale (hereinafter referred to as “GCS”) shall apply to all products, accessories or services (“Goods”) that are sold by the seller (“Seller”) to the buyer (“Buyer”). GCS, together with Seller’s specific conditions contained in its attached order confirmation or contract of sale (“Order Confirmation”) and only such other documents, as are specifically incorporated herein by reference, constitute the entire agreement between Buyer and Seller, and supersede, in their entirety, any other terms and conditions proposed by Buyer and any oral or written arrangements that are not expressly incorporated herein.

1.2 Agreements entered into between Seller or their agents and third parties shall only become valid upon Seller’s express confirmation.

1.3. Written communication or e-communication, including the form of an e-mail without certified electronic signature or any other communication in form of distance-transmission, may only take place between authorized persons named in the Order Confirmation. The above-mentioned form of communication may also be used if these GCS require the communication to be in writing.

1.4 In the absence of a clause to the contrary, documentation, catalogues and estimates will not be deemed binding and will be provided for information purposes only, and Seller’s offers will be binding only after express Order Confirmation.

1.5 Any changes in Order Confirmation must be accepted by the Seller or otherwise they will be null and void and not binding for the Seller. Customer’s signature on an Order Confirmation and its return delivery to the Seller, or the Customer’s failure to reject it within three days from the receipt thereof, shall constitute Customer’s acceptance of the contractual terms defined in the Order Confirmation and herein.

1.6 To avoid any doubt, it is agreed that Seller’s failure to exercise any right shall not be deemed a waiver of such right by the Seller. In the event of a sale concluded via an electronic system, Order Confirmation will include all of the specific elements essential for an Order and must be expressly confirmed by Seller.

1.7 Should any provision of GCS be invalid or unenforceable, either partly or entirely, the validity of the remaining provisions of GCS shall remain in full force and effect.

1.8 In case of conflict between terms and conditions of sale defined in the Order Confirmation and the wording of the present GCS the provisions in the Order Confirmation shall prevail.

2. PRICES – PAYMENT

2.1 All prices are calculated on the basis of Goods as measured and weighed at the departure point.

2.2 Except as may be otherwise expressly provided in Order Confirmation, prices are net cash, and Buyer shall pay all taxes and charges for transportation, insurance, shipping, storage, handling, demurrage etc. The risk of a possible increase in any such charges that becomes effective after the date of Order Confirmation but before shipment shall be borne by Buyer.

2.3 Invoice payment shall be made net cash, without any deductions, within 30 days from the day of Delivery, unless the due date of the invoice payment is a bank holiday in the country of the receiving bank, in that case the invoice payment shall be made on the last working day preceding the due date of the invoice payment.

2.4 If Buyer is subject to restructuring, arrangement or bankruptcy proceedings or if such proceedings start after Order Confirmation but before shipment, the above-mentioned payment date will not be binding for the Seller; payment shall be made in cash either on the date of Order Confirmation or within one business day from the date on which the above-mentioned proceedings start. If payment is not made within 3 days from the date of Order Confirmation, or within 1 business day from the date on which restructuring, arrangement or bankruptcy proceedings start, Order Confirmation will be automatically cancelled

2.5 If Buyer fails to pay on the due date, then Buyer shall be obligated to pay by law and without a prior notification the principal amount and statutory interest (art. 481 sec. 2 of the civil code) for the delay in payment. Moreover, pursuant to these GCS, if there is a delay in payment, the Customer undertakes to pay regardless of statutory interest, a contractual penalty in amount of 10% of the gross value of the contract.

2.6 Any delay in the payment or in the execution of any obligation entered into by Buyer or where Seller has a doubt as to Buyer's solvency or credit worthiness and Buyer is not prepared to effect advance cash payment or provide Seller with security as requested, then Seller shall have the right to cancel the contract or retain that portion of the contract which it has not yet performed without the necessity to obtain the Buyer's consent. Withdrawal from the contract makes all sums due which are to be paid by Buyer, even those which have not yet matured, becoming immediately payable .

2.7 Seller reserves the right to compensate Buyer's debts and/or to use payments for the settlement of the invoices which have been outstanding for longer than 30 days plus any default interest and costs in the following order: costs, interest, principal amounts. Buyer shall not be entitled to withhold payments in case of dispute. In any event, in the event of payment delay, Buyer shall not be entitled to take any steps which could change the substance of the Goods or their legal status (e.g. further sale or processing).

2.8 All bank fees, save the Seller's bank fees, shall be borne by the Buyer.

3. TRANSFER OF RISK – DELIVERY – SHIPMENT – VAT

3.1 Except as may be otherwise specified in writing, the transfer of risk shall take place at Seller's plant before loading and in case of the use of Incoterms, risk shall pass in accordance with the applicable term - latest version of the Incoterms issued by the ICC - (Delivery). Should Buyer fail to take delivery of Goods, Seller may store them at Buyer's risk and expense and following a notification of their availability, invoice them as having been delivered. In any event, Seller remains entitled, without any special notice, to resell them and to claim applicable damages.

3.2 Unless otherwise specified in Order Confirmation, Goods are sold, delivered to their destination by means of transport and route specified by the Seller and based on co-operation with forwarding agents and carriers selected by the Seller.

3.3 Buyer shall be obligated to supply to Seller, sufficiently in advance in order to enable the Seller to make the necessary shipping arrangements, all appropriate information including

- a) marking and shipping instructions;

- b) import certificates, documents required to obtain necessary government licenses and any other documents prior to its shipment, and
- c) Buyer's confirmation that it has caused the opening or establishment of a letter of credit or a bank guarantee if required.

If any such instructions, documents or confirmations are not so received on a date enabling the Seller to ship the goods as per a standard shipping schedule for that kind of contracts or would (in Seller's sole judgment) require unreasonable expense or delay on its part, then Seller may, at its sole discretion and without prejudice as to any other remedies, delay the time of shipment and/or cancel the said contract.

3.4 Unless otherwise expressly agreed, delivery times shall not be regarded as binding and delays in delivery shall not entitle Buyer to claim any damages resulting there from.

Delays in delivery shall only entitle Buyer to cancel Goods not yet in the process of manufacture and only after having granted Seller a reasonable grace period in order to remedy said delay and only after having sent Seller a formal notice of default. Without prejudice to the provisions contained in Article 5 below, binding times for delivery shall only entitle Buyer to damages insofar as Seller has been fully informed in writing at the conclusion of the contract of the possible loss and damage consequent to delayed delivery and of a specific valuation of the different elements thereof.

3.5 In any event, in case of production delays, Seller is entitled not to supply the whole quantity that Buyer has ordered in one delivery, but can deliver by several subsequent partial deliveries. The delivery shall be deemed fulfilled when the Goods are delivered with a tolerance of $\pm 5\%$ on weight.

3.6 In the event that the supply of Goods is entitled to VAT exemption due to intra-community sales or the export destination of Goods delivered, and Buyer takes Delivery at his own risk and own expense for the whole or for a part of the carriage or transport (delivery terms EXW, FOB, FCA, etc.), Seller shall only be bound to apply for a VAT exemption if Buyer provides the following documents: document (CMR, bill of lading, CIM, export declaration, etc.) of carriage or transport to the country of destination.

(a) On each request of the Seller, the Buyer shall send the Seller the following documents within 10 business days from the receipt of the Seller's request:

- copy of invoice for the delivered goods with the date and legible signature (name and surname) confirming the receipt of the goods delivered to the address given on the invoice, in the assortment and quantity defined in the delivery specification and referred to on the invoice,
- copy of delivery note or transport document on which the confirmation of delivery of goods is placed.

(b) In case when the time limit (which is defined in point a) is not respected, the Seller has the right to charge the Buyer with a contractual penalty of one hundred Euro for each day of delay. The penalty however, cannot exceed the VAT amount due on the delivery value, expressed in Euro.

(c) The Buyer is obliged to inform the Seller immediately (i.e. within 1 to 3 days) about:

- change of the Buyer's VAT identification number for intra-community transactions,
- change of Buyer's company's name and address.

4. CONFORMITY – INSPECTION

4.1 All deliveries are subject to the normally accepted tolerances as to dimensions and weight. Upon Delivery Buyer shall carry out an inspection of Goods to check weight, length and width as stated in Order Confirmation. Any apparent defects and damage to Goods (surface defects, package defects, etc) shall then be noted.

4.2 Goods shall be considered automatically accepted upon delivery to Buyer, if Buyer fails to make any comments in writing in respect thereof not later than 3 days after their delivery and before Goods undergo any further processing. No claim shall be accepted by Seller in respect of any defect, deficiency and/or failure of Goods to meet the specific terms of the order which a reasonable inspection possible to carry out during the goods acceptance should have revealed but for which the said inspection was not made.

5. LIABILITY – CLAIMS

5.1 Seller guarantees that Goods are in conformity with the specifications contained in Order Confirmation. Buyer shall have communicated to Seller all necessary information

- a) to ensure adequate elaboration of these specifications;
- b) relative to the transformation and/or the final use of Goods

5.2 Buyer recognizes that the Seller's obligation of conformity is fully satisfied when these specifications have been met at the time of Delivery.

5.3 Any technical advice provided by Seller, before and/or during the use of Goods, whether provided verbally or in writing or by way of trials, is given in good faith but without any warranty on the part of Seller. Seller's advice shall not release Buyer from his obligation to test Goods supplied by Seller as to their suitability for the intended processes and uses. The use and processing of Goods are undertaken solely at Buyer's risk.

5.4 Defects undetectable at delivery must be notified to Seller immediately upon discovery by registered letter return receipt requested, but, in any event, no later than 6 months after Delivery (Buyer having the obligation to inspect Goods thoroughly during the above mentioned period). The notification of defects and faults has to be supported with documents proving the claim justification.

5.5 Goods shall not be considered by Seller as defective when the defect claimed by Buyer does not exceed a value of one hundred Euro per Seller's delivery item.

5.6 In any event, Buyer must each time make an effort to mitigate damages and in this context is not entitled to suspend the payment of any outstanding and current invoices. If Goods are considered by Seller as defective, then Seller is exclusively obligated under the guarantee either to remove hidden defects, replace the Goods, refund the amount already paid by Buyer for the goods or reduce the price.

5.7 Seller shall not be liable for any loss of profit, loss of processing costs, loss of production, and/or any other loss or damage directly or indirectly sustained by Buyer or by any other third party. The Seller can be held liable for damages caused by its gross negligence involving action or inaction or willful misconduct duly proved by Buyer. The Seller's liability for defective or damaged goods will in each case be limited to 100% of the invoiced value of the defective or damaged Goods. .

6. RETENTION OF TITLE

6.1 Supplied Goods shall remain Seller's property until fulfillment by Buyer of its payment obligations as described above.

As such:

(a) If goods are processed combined, and/or mixed by Buyer with other goods belonging to him, then Seller has the entire ownership on the new goods. If goods are processed, combined, and/or mixed by Buyer with other goods belonging to other suppliers, then Seller has a joint ownership right in the whole value of the new goods with such suppliers. In such case, Seller's ownership shall be calculated on the basis of the ratio of the invoiced value of the Goods to the invoiced value of all goods, which were used for manufacturing the new goods.

(b) As long as Buyer is not in default and provided that it reserves its property rights, Buyer is exclusively entitled to resell Goods in the ordinary course of business. Use of goods for executing service contracts and contracts for work, labour and material is herein regarded as a resale.

(c) Buyer's receivables arising out of the resale of Goods are already assigned, for security purposes, exclusively to Seller. Buyer is entitled to collect the receivables from reselling, unless Seller withdraws the direct debit authorisation in case of any doubt about Buyer's solvency and/or financial credibility or if Buyer is in arrears on any of its payments. In the event Seller withdraws the direct debit authorisation, Buyer is obliged (i) to inform its clients immediately about the assignment to Seller and that Seller is the owner of goods, (ii) and to give Seller all information and documents necessary in order to establish and confirm Seller's rights with respect to third parties. Buyer shall be obligated to inform Seller without delay about

any garnishment and/or any other actions adversely affecting the Goods undertaken by third parties. If the value of the existing security interests obtained by Buyer for the benefit of Seller exceeds in total more than 20% the total invoiced amount of the contractual debt of Buyer, Seller is obliged, upon Buyer's request, to release Goods selected by Seller.

(d) Buyer shall have the sole liability for, and shall bear all risks and costs associated with the unloading, correct handling and suitable storage of goods and/or the new goods as described in Article 6 a) above. Moreover, Buyer undertakes (i) to take a general liability all risks insurance policy, at its own cost, including coverage as to the deterioration and/or theft of all or a part of goods and/or of the new goods and (ii) provide to Seller, at its first request, a certificate confirming both such insurance coverage and the payment of the insurance premium related thereto.

7. PACKAGING

7.1 Unless otherwise stated, Buyer shall be responsible for providing the packaging materials and of the means of protection, fastening and securing used during transport of Goods.

7.2 If Buyer fails to comply with this obligation and as a result of said failure Seller becomes liable for any danger there, Buyer shall hold Seller harmless from liability for any such danger.

7.3 Buyer may not charge the Seller with costs of destruction, recycling or storage of the packaging.

7.4 The marking of the packaging and goods, if required, shall be made in accordance with the norms adopted by the Seller, unless other requirements from the Buyer agreed by Seller

8 FORCE MAJEURE

8.1. If the Seller's manufacture, shipment and delivery of Goods hereunder is subject to circumstances resulting in a delay or impairment of performance, Seller shall not be liable for any delay or impairment of performance resulting in whole or in part from force majeure circumstances understood as war (whether or not declared), strike, labour conflict, accident, fire, flood, Acts of God, delay in transportation, shortage of materials, equipment breakdowns, mill conditions, amendments to law, regulations, orders or acts of any governmental agency or body, or any cause beyond the reasonable control of Seller, or rendering performance by Seller impracticable due to the occurrence of a contingency the non-occurrence of which was a basic assumption on which this Order Confirmation was issued.

8.2 In the period of Force Majeure circumstances, the Seller shall be entitled to decrease the volume of the subject of the order and deliver it in parts at its own discretion or perform the entire subject of the Order within additional time that may not however be longer than the duration of an obstacle caused by Force Majeure circumstances. Seller shall have the right to apportion its production among its buyers in such manner as it may deem equitable.

8.3 The occurrence of any such event of force majeure shall be notified in writing to the other party within 3 days of the occurrence of any such event.

9. LANGUAGE, JURISDICTION AND APPLICABLE LAW

9.1 These GCS have been drawn up in English and in Polish. A copy of GCS in both language versions may be obtained upon a simple request at the Seller's office or read at the Seller's website.

9.2 In case of conflict between the language versions, the English version shall prevail.

9.3 These GCS shall be governed and interpreted according to the provisions of Polish law. Any disputes arising under these GCS or Order Confirmation shall be submitted exclusively to the courts of the Seller's jurisdiction (place) of incorporation.