

**STALPRODUKT S.A.**  
**GENERAL TERMS AND CONDITIONS OF SALE**

**1. DEFINITIONS**

1. General Terms and Conditions of Sale hereinafter referred to as **GTS**.
2. **Seller** – Stalprodukt S.A. based at: 32-700 Bochnia, ul. Wygoda 69.
3. **Buyer** – Entrepreneur. **Entrepreneur** is a physical person, legal person as well as an organisational unit without legal personality, to which legal personality is assigned by a separate law, pursuing economic activity in its own name.
4. GTS constitute an integral part of any sales agreements concluded by Stalprodukt S.A., including the agreements concluded in the form of a written order and order confirmation.
5. Working days – if the term “working days” is referred to in GTS, it should be understood as the days calculated from Monday to Friday subject to the generally applicable provisions on statutory holidays.

**2. GENERAL TERMS AND CONDITIONS OF SALE - SCOPE OF APPLICATION**

1. While placing an order, the Buyer or a person authorised by him, certifies that he is familiar with the Seller’s GTS and that he accepts the same. The fulfillment of this condition is indispensable for trade cooperation. GTS shall be available to the Buyer before the conclusion of an agreement in a written form at the Seller’s seat or on the webpage: [www.stalprodukt.pl](http://www.stalprodukt.pl).
2. The Seller admits the conclusion of individual trade agreements and contracts agreed upon by mutual negotiations between the parties, accepting solutions other than the ones contained in the GTS. The conclusion of a separate sales agreement shall exclude the application of the present GTS provisions only within the scope regulated therein otherwise. In such circumstances the separate arrangements between the parties confirmed in writing shall prevail over the GTS provisions.

**3. ORDER**

1. An order sent to the Seller by the Buyer and signed by their respective representatives or authorised persons, with their powers of attorney enclosed, must contain the Buyer’s particulars, detailed information on the product being ordered within the scope indispensable for its identification (e.g. reference to the Seller’s offer, if the same had been made before the order was placed) and data concerning the conditions of the order completion as required by the Buyer.
2. The placement of the order/purchase offer/ is not binding to the Seller, whereas the lack of his response shall not stand for the tacit acceptance of the order.
3. The Seller’s acceptance of the order **for completion** requires to be confirmed by the Seller in writing within 14 working days calculated from the date of the order’s reception date. In the event the order is accepted by the Seller with reservations, the Buyer shall be bound by the content thereof unless he immediately submits his own possible remarks. The immediate (i.e. within the period not exceeding 3 working days) submission of such remarks shall be considered as a placement of a new order, whereas the provisions contained in the preceding sentences shall be applied accordingly.

4. The Seller shall not be bound by the fact of the order acceptance in the event when, for reasons beyond his control, due to Force Majeure in particular, the sale and delivery of the goods are impossible or made excessively difficult.
5. The Seller shall not be bound by the order acceptance either if the Buyer's total liabilities towards the Seller have exceeded the amount of the trade credit granted to the Buyer by the Seller, or if the Buyer is delayed with the payment of any due receivables in favour of the Seller or does not collect goods in spite of being summoned.

#### **4. TERMS OF DELIVERY: LEAD TIME, TRANSPORT, INURANCE, PASSING OF RISK**

1. The parties to the agreement shall agree on the terms of delivery based on the delivery bases provided for in INCOTERMS 2010.
2. The date of delivery mentioned in the order confirmation may be subject to change in the case of events for which the Seller bears no responsibility.
3. The Buyer is obligated to collect the goods or to accept the same immediately, but no later than within 14 working days after being notified of the goods being available in the Seller's warehouse. In the case the collection is delayed, the Buyer may be charged the storage costs amounting to 1% of the uncollected goods' sales value for each day of the storage. The amount charged in respect of the above may not exceed 10% of the uncollected goods' sales value. Each partial delivery constitutes a separate transaction and may be invoiced separately by the Seller. If the collection of the goods is delayed in excess of 2 weeks or if the Buyer refuses to accept the goods, the rule provided for in the following subparagraph shall be applied in reference to the order cancellation costs to be covered by the Buyer.
4. The cancellation of a confirmed order by the Buyer is only be admissible in exceptional circumstances, after a prior written agreement with the Seller on the order cancellation terms. In the case of the withdrawal/cancellation of a confirmed order in its entirety or in part, the Buyer may be charged and obligated by the Seller to cover the costs related to the order completion and cancellation.
5. The Seller may deliver the goods to the Buyer with the intermediation of external transport or forwarding companies commissioned by the Seller, after a prior arrangement of the respective conditions with the Buyer. In such a case the transfer of economic governance onto the Buyer and his right to dispose of the goods as the owner shall take place at the moment of the goods' collection by the Buyer at the site designated by him in the order.

#### **5. PRICE**

1. The price for the goods shall be fixed on the basis of the arrangements binding as of the order confirmation date.
2. The Seller reserves to himself the ownership right in respect of the delivered goods, with such an effect that the Seller shall remain the owner of the goods until the total receivables in respect of the collected goods are paid in full as well as other receivables arising from the sales agreement, regardless of the place of storage or installation within other objects.
3. At the moment that bankruptcy or composition proceedings are instituted in respect of the Buyer, he shall be obligated to mark the goods in a way indicating the existence of the right of ownership as reserved in favour of the Seller. In the

case the goods owned by the Seller are seized within the pending enforcement procedure performed in respect of the Buyer's property, he is obligated to notify this fact immediately to the Seller and cooperate in securing the execution of the Seller's rights in front of the entity performing the goods seizure with the use of any available remedies. At the Seller's request, the Buyer is obligated to provide him immediately with the information about the storage place of the goods covered with the reserved ownership right.

## **6. PAYMENT**

1. The Seller's invoices shall be payable to the bank account designated in the invoice. Unless otherwise agreed upon in the agreement, the bank fees related to the payment shall be covered by the Buyer. The payment should be effected in compliance with the terms and conditions specified in the agreement.
2. In the case the arrangements between the parties do not specify if the given prices are net or gross prices, the prices shall always be considered as net prices, to which VAT shall be added in compliance with the rates applicable as of the invoicing day.
3. The payment shall be made within the time specified in the agreement or in the invoice, in compliance with the arrangements of the parties, while in the absence of such arrangements - within the period no longer than 30 days from the date of the goods' release to the Buyer.
4. If the due payments are not settled within the time specified in the invoice, the Seller shall be authorised to halt deliveries of the goods and to withhold the completion of the already accepted orders. The Seller may condition the completion of a new order placed by the Buyer, who is in arrears with the payments or who settles the invoices in an untimely manner, on making the advance payment in respect of the such Buyer's new order.
5. The date on which the payment is recorded on the Sellers's bank account shall be considered as the date of the effected payment. In the event of failure to meet the payment time limit, the Seller shall be entitled to claim the payment of interest by the Buyer, in compliance with the applicable law provisions or contractual conditions.
6. If there is a reasonable cause to suspect that the Buyer shall not meet his payment obligation, e.g. the Buyer's worsening financial standing, his liabilities unsettled within the specified time limits, the Seller shall be entitled to demand - irrespective of the previously arranged payment deadline - the settlement of the total due payment prior to the next delivery or granting specific guarantees or securities for the payment, or modification of the payment deadline.
7. Any possible claims made by the Buyer shall not suspend the running course of the payment deadline.

## **7. QUANTITY AND QUALITY**

1. The delivery shall be considered completed when the goods have been delivered with the deviation not exceeding +/-5% of the weight.
2. The sales of goods shall be based on the quantity/volume, according to the units specified in the agreement (running metres, kilograms, items or other).

3. All the technical information concerning the steel grades, dimensions, conversion rates and quality, resulting from the catalogues, brochures and other advertising materials prepared by the Seller do not constitute an offer in view of the Civil Code provisions. The publications concerning the products offered by the Seller are of an exclusively informative character whereas the models and samples made available by the Seller are of a demonstrative and exhibitory character. The detailed technical data provided in the publications may be subject to change. They shall be applicable only within the scope mutually agreed on by both parties.
4. The Buyer is responsible for the content of the placed order, for the technical data concerning the quantity and quality of the ordered goods so that the same shall comply with his requirements.
5. If the order does not define the material as compliant with a standard or does not contain a description of the material's required quality, the same shall be delivered as ordinary commercial goods, without responsibility for special quality requirements.

#### **8. STATUTORY WARRANTY CLAIMS**

1. The Buyer is obligated to check the compliance of the received goods with the order immediately after the reception of the goods. In particular, he is obligated to check the condition of the consignment as well as quality, quantity and product range of the delivered goods.
2. If, after the inspection of the goods, the Buyer finds that some shortages or defects occurred during the transport, he is obligated to prepare a report immediately at the moment the shortage or defect is detected, in the carrier's presence, and send it immediately within 5 working days to the Seller and to the Carrier along with other required documents. .
3. The time limit for lodging a warranty claim is 180 days from the delivery date. The claims concerning quality defects, whose detection was impossible in spite of a thorough inspection made after the delivery, should be filed with the Seller in writing (along with a detailed description, possibly some photographs and samples of the goods being claimed), immediately after detecting the defects, however, no later than 180 days from the delivery date. After this deadline the Seller's liability shall expire.
4. The Seller is entitled to have the claimed goods inspected by his representatives. In such cases, the Buyer is obligated to make the goods available for inspection and ensure any conditions necessary for the inspection to be performed and the claim to be accepted.
5. After accepting the claim, the Seller may withdraw from the agreement, make repairs or replace the claimed goods or lower the price accordingly. In no case, may the value of the claim exceed the price of the goods.
6. The Seller shall not be liable for any loss, damages or costs /direct or indirect/ arising from the Buyer's claims lodged in respect of errors in delivery or delivery delays.

#### **9. FORCE MAJEURE**

1. The parties shall not be liable for partial or complete non-performance of the contract, caused by Force Majeure.

2. **„Force Majeure“** stands for the circumstances of extraordinary character, caused by a stroke of fate/ an *Act of God* (in legal terminology the meaning of „*Acts of God*“, „*Force majeure*“ and „*vis Major*“ is similar- „Force Majeure“) or by such events as strikes, riots, war, disasters, etc., which occurred after the signing of the contract and remained entirely beyond the parties' control. One party may invoke „Force Majeure“ provided that the other party is notified of the above mentioned circumstances.

## **10. SCOPE OF LIABILITY**

1. Any liability of the Seller related to the conclusion of the agreement or to the performed sale of goods (except for willfull acts or omissions), irrespective of the liability title, shall not embrace the redressing of damages related to the loss of expected opportunities, loss of profit, loss in production, loss in goodwill, etc.
2. The liability for the goods bearing distinctive features or for the fitness of the delivered goods for the purposes desired by the Buyer shall be borne by the Seller only if he has provided the Buyer with a written assurance that the goods bear such distinctive features or that they are fit for such purposes.
3. Apart from the above described liability for defects, the Buyer is not entitled to a compensation for any damages inflicted by the goods (including hazardous products) or in connection with their possession or use – except for the compulsory statutory liability arising directly from the strictly applicable law provisions.
4. If a third party addresses the Buyer with any claims that may possibly relate to the goods or products sold to the Buyer by the Seller, for the production of which the goods sold to the Buyer by the Seller were used, the Buyer should immediately notify the Seller of this fact, enabling him to participate in the proceedings related to the claims of such a party, otherwise any Seller's liability relating to such claims shall be excluded.
5. The Seller reserves the right to claim damages within the scope, by which the damages suffered thereby exceed the value of the reserved contractual penalties.

## **11. OTHER**

1. Any disputes that may arise between the parties, possibly connected with the relations based on the sales agreements or other agreements concluded by the parties, to which the present GTS would apply, shall be resolved by the Polish common court, materially and locally proper for the Seller.
2. The present GTS /if the Buyer has been informed about them/ shall apply to each sales agreement, under which the Seller shall sell any goods to the Buyer. To all matters not provided for herein/GTS/ - the respective provisions of the Polish Civil Code and other Polish mandatory legal provisions shall apply.
3. By accepting the present GTS, the Buyer expresses consent for his personal data to be processed by the Seller and entities commissioned thereby in the country and abroad in connection with the execution of the sales agreement for the sales of the products offered by the Seller.

4. Without the Seller's consent, the Buyer may not pass on the knowledge and information, acquired as a result of business contacts with the Seller, to third parties, on matters covered by business secrecy protection.

## 12. **APPLICATION OF GTS PROVISIONS FOR INTERNATIONAL CONTRACTS**

1. In the case of international sales agreements/contracts/, the application of the Convention on Contracts for the International Sale of Goods as of 11 April 1980 shall be excluded.
2. In the case of international sales agreements the provisions thereof shall apply with the following reservations:
  - For an obligation to sell the goods to be formed on the Seller's part, a conclusion of a written agreement/contract or a confirmation of an order acceptance shall be necessary.
  - Any disputes that may arise between the parties, possibly connected with the relations based on the sales agreements or other agreements concluded by the parties, to which the present GTS would apply, shall be resolved by the Polish common court, materially and locally proper for the Seller.
  - The parties may, each time, in a written agreement, define the law, according to which they shall regulate their mutual rights and obligations and they shall designate a locally competent court or arbitration tribunal to resolve the disputes arising in connection with the execution of the agreement. In such circumstances, the separate arrangements of the parties and confirmed in writing shall prevail over the GTS provisions.
    - Unless otherwise specifically agreed in a written agreement, any types of fees, including bank charges, taxes, customs duties and any other such liabilities shall be charged to the Buyer, save that the Seller is obligated to settle and pay his liabilities for the acts performed by him under the agreement in the territory of the Republic of Poland and the ones which, according to the law, should be effected in the Seller's country,
    - Any statements or correspondence should be drawn up in the language of the contract, agreed upon in a written agreement, in the absence of such a provision, either the Polish or English language shall be applicable.

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