

BELOS-PLP S.A. General Terms of Sale

1. Binding force of BELOS-PLP S.A. General Terms of Sale

a/ These terms of sale apply to all contracts of sale, supply and any other contracts concluded by BELOS – PLP S.A. as the seller including any orders effected or confirmed by BELOS – PLP S.A.

b/ Any changes, departures or decisions contrary to the present terms, included in the Purchaser's order or agreed orally, require clear written confirmation by BELOS – PLP S.A. to be valid, otherwise they are regarded as ineffective.

2. Acceptance of order (conclusion of a contract)

a/ In case of a binding framework contract concluded by and between the parties the present terms are valid and binding provided that on conclusion of the framework contract the Purchaser has been advised thereof. The Purchaser will be regarded to have been advised of the content and the binding force of the present terms if they have been attached to the framework contract or there has been a mention of placing the terms content on BELOS-PLP S.A. website in such contract.

b/ Placing an order by the Purchaser does not mean the conclusion of a sale contract unless the order is accepted in writing by BELOS – PLP S.A. The present terms of sale will be binding provided that a mention on their binding force is placed in a statement on the order acceptance and their content is attached to the statement, or a mention of placing the terms content on the seller's website is placed in a statement on the order acceptance.

c/ Placing an order by the Purchaser on the basis of BELOS – PLP S.A. offer or on the basis of agreements in progress and obtaining a written confirmation from BELOS – PLP S.A. of the acceptance of such order means that the Purchaser has accepted the present General Terms of Sale provided that a mention of these terms is placed in the seller's offer or in a statement on the order acceptance or these terms have been attached to the offer or to the statement.

d/ When from the terms of an order placed by the Purchaser it is evident that the order processing by BELOS – PLP S.A. should be started before the Purchaser receives the confirmation of the order acceptance, the present General Terms of Sale will be regarded as accepted by the Purchaser upon starting the order processing by BELOS – PLP S.A. provided that the Purchaser has placed in his order an appropriate statement on his acceptance of the present terms.

3. Prices

Prices quoted by BELOS – PLP S.A. in the confirmation of an order acceptance are valid only for a given order. Prices do not include VAT which will be calculated in accordance with binding regulations.

4. Terms of payment

a/ The Purchaser shall pay the price for the goods ordered in an amount and on a date specified in the confirmation of the order acceptance unless the parties agree other terms in writing.

b/ A date of crediting BELOS – PLP S.A. bank account will be regarded as a payment date.

c/ In case of failure to perform obligations in due time BELOS – PLP S.A. shall have the right to calculate statutory interest in a currently binding amount.

5. The Purchaser's creditworthiness

a/ BELOS – PLP S.A. has the right, at any time, to assess independently the Purchaser's creditworthiness. BELOS – PLP S.A. has the right, at any time, to demand in advance full or part payment of the receivable resulting from the contract.

b/ In case of failure to fulfil any of the contractual provisions by the Purchaser, including the terms of payment in particular, BELOS – PLP S.A. reserves the right to withhold further supplies or to withdraw from the contract. In case of withdrawal from the contract any unpaid receivables become due and payable forthwith.

6. Title to the goods

a/ The goods remain BELOS – PLP S.A. property till a date of full payment of the price specified in an invoice. The Purchaser will be responsible for loss of the goods from a date of the goods receipt to a date of full payment of the price.

b/ The Purchaser shall be responsible for marking and separate storage of the goods which are BELOS-PLP S.A. property.

7. Terms of delivery

a/ The goods will be delivered on EX WORKS terms according to INCOTERMS 2000 (i.e. ex Seller's warehouse, without packaging).

b/ Belos - PLP S.A. reserves the right to add an additional net amount (+ VAT) to the price to cover increased costs of delivery by special means of transport required by customers.

8. Shipment

a/ BELOS – PLP S.A. shall make efforts to carry out delivery in agreed time.

b/ A delay in delivery for any reason shall not give rise to BELOS – PLP S.A. liability for damage towards the Purchaser unless such delay has occurred due to BELOS – PLP S.A. deliberate guilt.

c/ BELOS – PLP S.A. shall not be responsible for delays caused by force majeure which is understood as war, fire, riots, accidents and other events beyond control.

9. Losses and damage in transport

If BELOS – PLP S.A. has committed himself in the order confirmation to delivering goods at his cost, the Purchaser will be responsible for reporting in writing to a carrier company a total or a partial loss, shortages or damage in transport within 5 days from the receipt of goods or in case of loss of shipment within 5 days from a date when it was to be delivered. Failure to fulfil the above obligations will result in the Purchaser's liability for any losses and damage in transport.

10. Packing

The goods will be packed conventionally in cartons up to 31 kg or on europallets with upper sections up to 1 tonne (a number of upper sections will depend on the height of load).

Europallets together with upper sections are separately invoiced and may be returnable at the Purchaser's cost.

11. Specifications

Belos - PLP S.A., in connection with their research and development policy, reserves the right to change specifications without prior notice.

12. Tests and inspections

Any tests or inspections specified by the Purchaser in his order will be carried out at BELOS – PLP S.A. plants.

13. Responsibility of BELOS – PLP S.A.

a/ The goods to be delivered are produced in accordance with regulations and standards binding in Poland and related to product and environment safety and quality. The goods to be delivered are new and in conformity with the terms of order.

b/ BELOS – PLP S.A. shall not be liable towards the Purchaser due to warranty for defects of the goods delivered.

c/ BELOS – PLP S.A. can give the Purchaser a quality guarantee under the guarantee terms specified in the Guarantee Card attached to the Declaration of Conformity.

d/ BELOS - PLP S.A. shall not be liable for damage caused by non-performance or improper performance of contractual or out-of-contractual obligations unless such damage has been caused intentionally by BELOS-PLP S.A.

14. Withdrawal of an order (withdrawal from the contract)

a/ The Purchaser may not withdraw an order (withdraw from the contract) due to delays in delivery or for any other reasons without prior written notice sent to BELOS – PLP S.A. on such intention and on giving additional minimum 14 days' time for the order completion.

b/ In each case the Purchaser shall accept the goods and pay for the goods previously sent according to the order and the order confirmation and shall pay costs of withdrawal of the order resulting from expenses or financial liabilities incurred by BELOS – PLP S.A. aroused in connection with the start-up of production of the goods, being the subject of the order, extended by a penalty amounting to 10% of lost profit.

15. Law applicable and arbitration

a/ The contract is subject to Polish law.

b/ The Vienna Convention of 11 April 1980 on contracts of international sale of goods shall not apply.

c/ Any disputes resulting from the contract will be settled by the Arbitration Court at the National Chamber of Economy in Warsaw.