

GENERAL SALES AND DELIVERY TERMS AND CONDITIONS (GSDTC)

DAFO Plastics Spółka Akcyjna

These General Sales and Delivery Conditions of DAFO Plastics SA with its registered office at ul. Waksmundzka 193, 34-400 Nowy Targ, number in the National Court Register: 0000787227, NIP (VAT No) 735-000-88-56, hereinafter referred to as the "Seller", based on Art. 384 of the Civil Code, form an integral part of sales and delivery agreements entered into with DAFO Plastics SA. These terms and conditions only apply to agreements entered into by DAFO Plastics SA with enterprises purchasing goods in connection with their business activity.

I. DEFINITIONS

1. The terms: "GSDTC", "Terms and Conditions", "these Terms and Conditions", "herein", "hereinbelow", "hereinabove" and other terms used in a similar context refer to these General Sales and Delivery Terms and Conditions.
2. The term "goods" means tubes, nuts, caps and other objects sold or delivered by the Seller.
3. The term "service" means activities performed by the Seller against payment for the Buyer in connection with the sale of goods and with designing polyethylene, laminated tubes, seals, as well as other activities taken at the Buyer's request.
4. The term "agreement" means a goods sales agreement with the Seller in any form agreed by the Parties.
5. The term "order" means the Buyer's demand for consecutive batches of goods which is submitted in writing or in a document form, in particular by fax or electronically, as well as by e-mail.
6. The term "order confirmation" means a statement on the terms and conditions of the agreement sent by the Seller in writing or in a document form, in particular by fax or electronically, as well as by e-mail. The order confirmation may also contain a pro forma.
7. The term "approval of the agreement" means a statement confirming the terms and conditions specified in the order confirmation which is sent by the Buyer in response to the order confirmation in writing or in a document form, in particular by fax or electronically, as well as by e-mail, and which contains an approved or signed pro forma - in writing or in a document form (if the pro forma has been sent with the order confirmation).
8. The term "Buyer" means any Polish or foreign entity (a legal person, an unincorporated business entity which has legal capacity by law or a natural person) which buys goods from the Seller.
9. The term "Party" or "Parties" means the Seller and the Buyer respectively.
10. The term "carrier" means an entity which, at a request of the Seller or the Buyer, transports goods to the place specified in the agreement by the Parties.

II. GENERAL REGULATIONS

1. The following terms and conditions apply to any sale and delivery of goods between the Seller and the Buyer.
2. These Terms and Conditions apply to the Parties in the case of all further transactions, whatever the purpose thereof, even if it is not explicitly pointed out that the transaction is subject to these Terms and Conditions. All amendments, further arrangements, suspensions and exclusions of these Terms and Conditions, full or partial, must be made in writing.

3. Any arrangements that are contrary to these Terms and Conditions are not binding on the Seller, even if the Seller has failed to explicitly object thereto, unless they have been agreed by the Parties in writing. Errors and obvious mistakes are not binding on the Parties. In particular, the Seller is not deemed to have accepted (in particular on an implied basis or as a result of the Seller having been informed about the application thereof, even without an explicit objection) any General Purchase Terms and Conditions of the Buyer or any other draft agreements, terms and conditions or similar documents if the Seller has signed an order confirmation or any other documents referring to such terms and conditions. For avoidance of doubts, this must be interpreted as the Seller's statement on non-approval of those terms and conditions, draft agreements or documents of the Buyer. The agreement between the Parties is entered into solely on the basis of these Terms and Conditions, unless either Party explicitly represents in writing that it does not enter into the agreement because the Seller does not accept the Buyer's terms and conditions.
4. The Seller may have the Buyer's orders performed by subcontractors selected by the Seller.
5. The Seller is a sole owner of plans, drawings, drafts, negatives, manufacturing schedules, models, notes and any other documents, written or verbal information provided to the Buyer. Without a separate agreement providing for, in particular, copyrights, the Buyer must not use the above objects for purposes other than its cooperation with the Seller.
6. All activities must be carried out in the form set out in these Terms and Conditions. Otherwise they are deemed to be invalid.

III. EXECUTION OF THE AGREEMENT

1. Catalogues, pricelists and other information addressed to customers do not constitute an offer which is binding on the Seller. Although it is titled as an "offer", the letter which these Terms and Conditions are attached to is not an offer within the meaning of the Civil Code. The letter is only a response to a request for proposal and presents the assortment of goods referred to in the request and the general sales and delivery terms and conditions.
2. The order is binding on the Seller if the Seller sends the order confirmation and the Buyer sends the approval of the agreement without reservation. Without response or reaction to the order, the order must never be considered as accepted. This also applies to entities that cooperate with the Seller on a permanent basis.
3. The Seller is not obliged to accept and perform the Buyer's orders.
4. In the event the Buyer submits its comments, the Seller is not obliged to comply with those comments or changes and may only incorporate them into the following version of the order confirmation and send them to the Buyer.
5. The Seller is not obliged to perform the order if, for reasons being beyond the Seller's control, in particular as a result of actions taken by the Buyer or third parties or of force majeure, the production or sale of goods is difficult, impossible or generates a loss of more than 5% of the value of the order for the Seller. The Seller must inform the Buyer about the above circumstances.
6. The Seller's sales representatives must act solely within the limits of their authorisations. The authorisations must be granted in writing on a case-by-case basis and interpreted in a restrictive way. The Seller is not liable for actions taken by its sales representatives to the extent exceeding their authorisations.
7. The order or a part thereof may be cancelled solely with the Seller's written consent. If the order is cancelled, fully or partially, the Buyer must pay the cost incurred by the Seller and the Seller's subcontractors, in particular the cost of products manufactured thereby or products under

construction, as well as the cost of services performed or services in progress. Then, the Seller issues a partial invoice for the above amounts to the Buyer.

8. The Buyer must not assign or transfer its rights arising from the agreement or the order, fully or partially, to any person in any way and on any basis without the Seller's prior explicit written consent.
9. The sales agreement is entered into the moment the Parties sign the agreement in writing or in a document form or the Buyer receives the order confirmation submitted in writing or in a document form and the Seller receives the approval of the agreement in writing or in a document form. The agreement is entered into the moment the Buyer sends the approval of the agreement without reservation. If the Buyer submits comments or reservations, the agreement is not entered into and the Seller, to enter the agreement, sends another order confirmation containing a new changed order to the Buyer.
10. If the Buyer is late with the performance of the agreement, which means, among others, that: the quantity of information necessary to perform the agreement is insufficient; drawings, designs or documents have not been provided; a decision is not made; or there are excessive time intervals in communication with the Buyer; or it is not possible to contact the Buyer to make decisions to perform the order or carry out manufacturing or designing activities, the Seller has the right to issue a partial invoice for the cost incurred for the performance of the order to date, including, without limitation, the cost of materials and the storage of materials, the cost of order handling and the cost resulting from incomplete production. The Buyer must pay such an invoice. If the invoice is not paid or the Buyer does not take immediate actions to perform the order, the Seller may withdraw from the agreement.

IV. DELIVERY

1. The Seller will define delivery deadlines in the agreement or the order confirmation, including a pro forma.
2. The delivery period commences as of the agreement date or from another date specified in the order confirmation. If the agreement provides for the prepayment (the payment of a defined part of the price prior to the commencement of the manufacturing process), the deadline is counted as of the day the Seller's bank account is credited with the full amount. The deadline is deemed to have been met if the goods are handed over on the defined date to the Buyer or the carrier from the Seller's warehouse or plant. If the Buyer has not specified the delivery place or has failed to collect the goods in person or via the carrier, if the Buyer has such an obligation, the delivery deadline is deemed to be met if the goods are prepared on the defined date for release. The cost of the storage of goods from such a moment till the hand-over date is payable by the Buyer.
- 2a. In the case of the circumstances referred to in Section III.10, the deadline may be extended with the Buyer's unilateral statement. In that case, the Buyer does not have the right to waive or make claims for damages or contractual penalties.
3. The delivery place is deemed to be specified if the Buyer's precisely defines the delivery place in writing or in a document form. The Seller may request the confirmation of the delivery address. If such a confirmation is not submitted to the day preceding the delivery date, the delivery address is deemed to not have been confirmed by the Buyer.
4. The Seller is not liable for its failure to meet the deadline if this is caused by force majeure or any other circumstances being beyond the Seller's control.
5. In the case of the occurrence of any circumstances that are beyond the Seller's control and do not constitute force majeure, like machinery breakdown, defects, delays in delivery of necessary

components, the Seller must inform the Buyer about the delay at the latest on the delivery deadline, as well as about the extension of the delivery time limit in a document form (to the e-mail address) or in writing. If the notification is submitted within the above period, the Seller is exempted from any liability for the delay in the delivery of products. Such a notification does not constitute the basis for the termination of or withdrawal from the agreement by the Buyer or for claims for damages.

6. Until the impediment specified in Section 4 and 5 ceases, the Seller may suspend or limit the delivery or withdraw from the agreement at a part that has not been completed.
7. In the event the delivery is suspended or limited, the delivery deadline is also suspended for the whole or a part of the suspended delivery till the end of the impediment.
8. In none of the above circumstances, the Seller is deemed to have failed to perform or to have inadequately performed its obligations and the Buyer does not have the right to claim any compensation or contractual penalties.
9. Each delivery may be completed by the Seller in instalments. The quantity, type and delivery deadline will be defined by the Seller.
10. In the case of a cooperation agreement concerning permanent deliveries, each single delivery is considered as a separate sales agreement. The terms and conditions concerning the execution of the agreement apply accordingly.
11. The quantity delivered may differ from the quantity ordered by - 5% / + 10%. The quantity is counted in full boxes based on packaging of the defined diameter of a tube. The goods tailored to the customer's requirements will be delivered in production lots, depending on fluctuations resulting from the technical circumstances of the manufacturing process.
12. In the case of any deviation specified in Section IV.11 above, the Seller will issue an invoice that reflects the price of the actually delivered quantities of products to the Buyer.

V. SHIPMENT

1. In the case of delivery via a freight forwarder or carrier, the risk of accidental loss or damage of goods passes to the Buyer the moment the goods are released to the freight forwarder or carrier. Thereafter, the Seller is not liable for any defects or shortages in the goods or packaging.
2. If the Buyer fails to specify the method and type of packaging and means of transport to be used to deliver the goods in the order, the Seller has the right to choose the packaging and means of transport with due diligence.
3. The Buyer pays the cost of transport at an amount agreed with the Seller, except for consignments of the defined value, which are specified by the Seller on a case-by-case basis at the Buyer's request.
4. The Seller is not liable for damages resulting from the use of insufficient packaging if it has been requested or accepted by the Buyer or if the Buyer has not submitted the detailed terms and conditions of transportation in writing, subject to Section VI.2.
5. In the event the Buyer fails to collect the goods on time or specify the delivery place for the whole or a part of the goods to be delivered, the Seller has the right to charge a contractual penalty of 0.5% of the value of uncollected delivery, or a part thereof, for each commenced week of delay, however no more than PLN 100,000.00.
6. In the event a damage resulting from non-collection exceeds the contractual penalty, the Seller may claim a compensation exceeding the maximum contractual penalty based on general principles.

7. All modifications in the terms and method of shipment which differ from the provisions hereof must be explicitly agreed by the Parties in writing or in a document form.
8. In the cases referred to in Section 5 above, the Seller may order the storage of the goods that have not been collected to a third party at the Buyer's cost and risk, apart from the contractual penalty set out in Section 5 above.

VI. PRICES

1. Prices specified in pricelists, offers, price confirmations are given net (without VAT). If VAT rates change, the gross price will change, as well.
2. The prices include standard inner and outer packaging used in the sector. Other packaging and transport methods must be prior agreed with the Seller and are subject to an extra fee.
3. In Poland the price may be given in PLN or as an equivalent of an amount given in a foreign currency. If the currency is subject to devaluation upon the order confirmation is sent by the Seller, the delivery price will increase proportionally to the devaluation.
4. The price of the order (Section III.9) May change from the delivery or completion date if one or several pricing factors change.

VII. PAYMENTS

1. The Seller's invoices become payable on the date specified therein.
The payment date is the date of actual payment made in cash or the day the Seller's bank account is credited with the payment. The payment is deemed to be made solely if it is made fully.
2. If the payment due date is a non-business day, the payment may be made on the following business day.
3. The invoice is deemed to constitute the first request for payment.
4. No down payments or prepayments made by the Buyer on account of future deliveries constitute earnest money within the meaning of the Civil Code.
5. If the payment is not made on time, the Seller may claim amounts due thereto without extra request for payment.
6. If the Buyer is late with the payment of one or several amounts due, the Seller may make any further delivery dependant on the payment of such amounts by the Buyer or on the Buyer securing such amounts due. The Seller may inform the Buyer that the delivery is suspended or further orders will not be accepted. The Seller may also withdraw from the agreement with immediate effect. The Seller may exercise its right of withdrawal within 60 days of the occurrence of premises for withdrawal. In such an event, the Buyer must fulfil all its obligations towards the Seller immediately as of the Seller's withdrawal from the agreement.
7. No set-offs may be used in settlements between the Parties. This does not apply to contractual deductions.
8. Notwithstanding the purpose of payment or the content of other statements of the Buyer, the Seller may, at its own discretion, recognise payments made by the Buyer on account of any other of its receivables, contractual penalties, compensations or interest.

VIII. PROPERTY RIGHTS

1. The goods delivered to the Buyer remain the Seller's property until the Buyer pays the whole sales price.
2. In the event any third parties make any claims to the Buyer in relation to the goods owned by the Seller, the Buyer must immediately notify the Seller and take all actions to protect the Seller's rights. Otherwise, the Buyer is liable for damages incurred by the Seller.
3. Unless the Parties agreed otherwise, in the event the Seller requests and collects the goods, it is not deemed to withdraw from the sales agreement. The goods are requested solely to secure the Buyer's obligations towards the Seller.
4. In the event property rights in the goods are transferred to third parties before the payment of the whole amount due to the Seller, the amount due to the Buyer thereunder is deemed to have been transferred to the Seller. This is without prejudice to the Buyer's personal liability towards the Seller for the payment of the whole sales price.
5. The cost of the goods delivery (return) to the Seller is payable by the Buyer.

IX. LIABILITY OF THE PARTIES

1. The Buyer is liable for the correctness and completeness of data given in the order or the order confirmation and a pro forma, as well as in the whole documentation submitted to the Seller.
2. If the Parties have agreed on the delivery of products or materials that do not meet Polish standards or other technical or safety standards, the Seller is not liable for any damages arising therefrom.
3. The Buyer is liable for the use and consequences of the use of goods delivered by the Seller in the defined construction solutions even if the Seller has been involved in the preparation of such constructions and the Buyer's end product as an advisor or a consultant.
4. The Seller is liable for the possibility and correctness of use of such goods in the defined solutions and the Buyer's end products exclusively if this has been explicitly agreed by the Parties.
5. The Seller is not, however, liable if the Buyer has failed to meet the Seller's explicit guidelines, recommendations and instructions.
6. The Seller is not liable towards the Buyer's for defects in the product or goods manufactured by the Buyer by the use of the goods delivered by the Seller.
7. The Seller's liability for damages is always limited to the actual damage and the amount paid by the Buyer for specific goods.
8. The Buyer is liable until the Seller is notified of all claims for damages likely to arise from the goods sold or products manufactured by the Buyer or third parties that buy the goods from the Buyer. If the notification is not submitted in an adequate way, i.e. in writing within 14 days of the receipt of the information, the Seller is exempted from its liability for damages with regard to any claims made thereunder.
9. The Buyer is exclusively liable for compliance with legal regulations on import, sale and use of products in the destination state.
10. The Buyer is exclusively liable for informing its customers and end consumers in an adequate way about the use of Products or related potential hazards, as well as all consequences arising therefrom.

X. GUARANTEE. COMPLAINTS

The Seller grants a guarantee to the Buyer in accordance with the General Guarantee Terms and Conditions of DAFO Plastics SA. Therefore, the Parties hereby fully exclude a statutory warranty for defects to the extent permitted by law.

XI. FORCE MAJEURE

1. In the case of the occurrence of force majeure circumstances, the Seller is exempted from its liabilities arising from the agreement and these Terms and Conditions.
2. Force majeure means extraordinary circumstances being beyond the Parties' control, including in particular strikes, collective disputes, fire, riots, acts of terrorism, military conflicts, martial state, natural calamities, state of epidemic or pandemic, amendments to legal regulations, the enforcement of decisions of governments or local authorities that limit or exclude the production of the goods, as well as weather conditions which make the transport of the goods impossible or excessively difficult.

XII. WITHDRAWAL FROM THE AGREEMENT

1. Apart from withdrawal from the agreement under the Civil Code (subject to the regulations hereof), the Parties may terminate the agreement on the basis of their mutual arrangement.
2. In the event the agreement is terminated, the Seller is not obliged to accept returned non-defective goods that it has delivered. If, however, the Seller agrees to the Buyer withdrawing from the agreement and to receive the products ordered back, the Buyer must pay the cost of the delivery of the goods that are to be accepted by the Seller.

XIII. PAYMENT FOR SMALL LOTS AND NON-STANDARD ORDERS

In the case of orders for quantities that do not comply with industrial standards (which will be communicated to the Buyer by the Seller), the Seller may add the extra cost of non-standard orders to the price. Such costs will be specified at the Buyer's request. In the case of accessories, the minimum quantity available for sale is one package of a product.

XIV. MISCELLANEOUS

1. These Terms and Conditions and agreements between the Parties are only governed by Polish law. All matters that are not set out herein are governed by the Civil Code.
2. In the event the agreement and the terms of purchase are prepared in Polish and in a foreign language, the Polish version is the original language. In the case of differences between the Polish and foreign version of the agreement, the Polish version prevails.
3. All amendments to these Terms and Conditions and the agreements between the Parties must be made in writing.
4. The agreement is deemed to be performed by the Parties in Nowy Targ.

5. All disputes arising herefrom or from the agreements entered into hereunder will be solved by competent Polish court having jurisdiction over the Seller.
6. The agreements entered into by the Seller exclude the application of the UN Convention of Contracts for the International Sales of Goods (Vienna Convention, O.J. 1997.45.286). Vienna, 1980-04-11.
7. All amendments to these General Sales Terms and Conditions are valid and effective provided that the amended version is published on the Seller's website. The agreements and orders made during the term of the existing General Sales Terms and Conditions will be implemented in accordance with the existing terms and conditions.

XV. ADDITIONAL REGULATIONS

The Seller reserves the right to make construction changes resulting from the technical progress. The specification of dimensions is subject to deviations connected with production technologies.