

GENERAL TERMS AND CONDITIONS OF SALE

The purpose of these General Terms and Conditions of Sale (hereinafter referred to as the “**GTCS**”) shall be to establish the rules for sale and/or delivery of items (hereinafter referred to as the “**Goods**”) to clients which are not consumers and operate business (hereinafter referred to as the “**Contracting Parties**”). The Goods shall be offered by Silspek Rubber sp. z o.o. with its registered office in 46-081 Dobrzeń Wielki, ul. Jańskiego 2 (Poland), entered in the Register of Companies of the National Court Register kept by the District Court in Opole, 8th Business Division of the National Court Register, under the following number: 0001007661; EU VAT identification number: PL 9910350664; (hereinafter referred to as “**SILSPEK**”). Detailed rules in this regard shall be set out by SILSPEK in the Offer.

§ 1 (Subject of the GTCS)

1. Under the GTCS and the rules stipulated therein, SILSPEK shall sell and/or deliver to the Contracting Party the Goods specified in the Offer, within the time limit and at the price indicated therein, whereas the Contracting Party shall accept the ordered Goods and pay a due price.
2. Delivery dates of the Goods, terms and conditions of individual deliveries and amounts payable to SILSPEK in that respect shall be each time laid down in the Offer.
3. Delivery (acceptance) of the Goods shall be each time carried out on the day indicated in the Offer. In the event of delay in the delivery (acceptance) of the Goods due to reasons attributable to the Contracting Party, they shall pay SILSPEK a contractual penalty referred to in § 5 item 1b) of the GTCS.
4. The prices of the Goods shall be net prices specified in the Offer plus VAT.

§ 2 (Offer)

The Offer shall be understood as an offer made by SILSPEK to the Contracting Party for the Goods, including in particular: type of the Goods, unit price, period of the Offer validity, date of payment and the rules for the transport of the Goods as per the Incoterms 2010 rules.

§ 3 (Obligations of the Contracting Party)

By accepting the terms and conditions of the Offer, the Contracting Party agrees to the GTCS and shall:

- a) strictly keep business secrets which shall be understood in particular as the information on the content of the Offer, organisational structure of SILSPEK, financial settlements rules applicable to the both Parties and other matters connected with the production and distribution of the Goods, i.e. those that have not been made public before;
- b) restrain from any activities that could negatively affect the image of SILSPEK;
- c) accept the ordered Goods and make a timely payment of the price;
- d) immediately inform SILSPEK about any circumstances which have or may have an impact on the correct completion of the Order.

§ 4 (Execution of the Offers by SILSPEK and Acceptance of the Goods)

1. A possible execution of the Offers by SILSPEK shall occur only if, in the period of validity of the Offer, the Contracting Party sends to SILSPEK, by e-mail/fax or submits personally in the registered office of SILSPEK, an order specifying the following: symbol of the goods being ordered, form of packaging and proposed delivery date.
2. Once SILSPEK has received the Order, they shall make a decision concerning possible confirmation of acceptance of the Order for completion, sending an appropriate confirmation to the Contracting Party (hereinafter referred to as the “Order Confirmation”), to the e-mail address or fax indicated in the Order. SILSPEK’s refusal to accept a given Order for completion shall not require any statement of reasons.
3. In the event that the Offer contains a stipulation that a possible completion of the Order requires an advance payment of 100% of the gross Order price (hereinafter referred to as the “Advance Payment”), the completion of this Order – after the Order Confirmation has been sent to the Contracting Party – shall occur only if the latter makes the Advance Payment by the date indicated in the invoice delivered to the Contracting Party along with the Order Confirmation. Failure to make the Advance Payment shall mean that the Order is deemed to be non-existent.
4. Should SILSPEK include changes to the Offer in the Order Confirmation, the Contracting Party shall confirm these changes by the date indicated in the Order Confirmation. Lack of consent to the above-mentioned changes by the Contracting Party (or lack of response in this respect within the above-mentioned deadline) shall mean that the Order is deemed to be non-existent. The Contracting Party’s consent to the above-mentioned changes shall mean that the Offer is to be understood as the initial offer along with the changes included in the Order Confirmation and accepted by the Contracting Party.
5. Manufacture of the Goods ordered by the Contracting Party shall be carried out in accordance with SILSPEK’s production process documentation (technical specifications, etc.). All SILSPEK’s Goods shall be manufactured in compliance with the quality system developed by SILSPEK.
6. Subject to item 7 below, deliveries of the Goods shall be made on the basis of the Incoterms 2010 rules set out in the Offer unless the Parties have agreed otherwise.
7. Regardless of the choice of a given Incoterms 2010 rule, once the unloading of the Goods has begun, the risk of damage or loss of the Goods shall be passed to the Contracting Party.
8. The Contracting Party shall accept the Goods and unload them at the destination on the day the delivery is made. In the case of delivery (transport) by SILSPEK, the Contracting Party shall unload the car with the Goods within 2 hours of the vehicle’s arrival at the destination. In the case when the Contracting Party fails to carry out the unloading within the above-mentioned time limit, they shall bear the costs of demurrage of the vehicle, at the rate of the carrier. With the consent of SILSPEK and the carrier, the Contracting Party shall have the right to indicate an additional, alternative place of unloading the vehicle. Any additional costs associated with the delivery of the Goods to the alternative place of unloading shall be borne by the Contracting Party.
9. Delivery of the Goods shall be confirmed by the Contracting Party (or the persons authorised by them) in the delivery documents submitted by SILSPEK.

10. The persons authorised by the Contracting Party to confirm the delivery of the Goods in the delivery documents shall be understood as persons holding the Contracting Party's authorisation to accept a given delivery. The Contracting Party shall inform SILSPEK in advance about the persons authorised to accept and confirm a given delivery of the Goods. The authorised persons shall confirm their identity at any request of SILSPEK's representatives actually delivering the Goods, in particular by producing relevant documents with a photograph. In the case of doubts as to the identity of the authorised persons, which shall be understood in particular as their failure or refusal to produce relevant documents, SILSPEK's representatives shall have the right to refuse to release the Goods to them. SILSPEK's refusal to release the Goods due to the above-mentioned reason shall be equivalent to a delay in the acceptance of the Goods in which case § 5 item 1b) of the GTCS is applicable.
11. Unless the Parties have agreed otherwise, the quantity of the Goods (their weight) indicated in the invoice or in the delivery documents shall also include the weight of the Goods' packaging, which is necessary to properly protect the Goods against external factors and adhesion of the pieces to one another.

§ 5 (Liability of the Contracting Party)

1. The Contracting Party shall pay SILSPEK a contractual penalty if the former:
 - a) withdraws from the Order being completed by SILSPEK – penalty equal to 100% of the gross Order price;
 - b) is in delay with regard to the acceptance of the Goods – penalty equal to 5.0% of the gross Order price for each day of delay;
 - c) discloses to an unauthorised third party the information that is a business secret within the meaning of the GTCS – for each infringement, a penalty in the amount of:
 - PLN 1,000,000.00 (PLN one million) – with regard to the Contracting Parties with whom SILSPEK generated gross annual revenue of over PLN 500,000.00 in the year preceding the year in which SILSPEK became aware of the infringement;
 - PLN 100,000.00 (PLN one hundred thousand) – with regard to other Contracting Parties.
2. SILSPEK reserves the right to claim compensation equal to the amount of stipulated contractual penalties.

§ 6 (Invoice and Payments)

1. The price specified in the Offer includes the cost of packaging.
2. SILSPEK shall issue invoices in Polish currency (Polish złoty) or in Euro.
3. Prices expressed in the Offer in Euro may be converted in the invoice to the Polish currency (PLN) on the basis of the selling rate of foreign currencies of NBP [National Bank of Poland], table C, as at the day of issue of a given invoice.
4. SILSPEK reserves the right to change the value of the Offer (and consequently – the Order) in the event of changes to tax rates, including in particular changes to the VAT rate.
5. Invoices shall be delivered to the Contracting Party together with the delivery

(acceptance) of the Goods being the subject of the invoice or they shall be sent to the Contracting Party together with the Order Confirmation – if it is necessary to make the Advance Payment. The Contracting Party agrees to receive invoices by electronic means, to the e-mail address indicated by them.

6. Payment of the amount due shall be made by transfer to the bank account of SILSPEK indicated in the delivered invoice and within the deadline indicated in the Offer unless different date of payment has been indicated in the invoice (earlier or later).
7. Ownership of the delivered Goods shall pass to the Contracting Party only after they have paid to SILSPEK all amounts due.
8. In the case of a seizure by third parties (seizure, lien, retaining lien, etc.), the Contracting Party shall bear in mind the fact that the Goods are subject to the retention of ownership.

§ 7 (Complaint Handling Procedure)

1. General Provisions

- 1) Any complaints concerning the Goods shall be made pursuant to the provisions of the GTCS.
- 2) For the purposes of the GTCS, a Complaint shall be understood as the Contracting Party's claim in respect of a statutory warranty against physical defects of a product (the Goods) purchased from SILSPEK (in particular products and compounds).
- 3) Should SILSPEK deem the Complaint to be valid, they shall unilaterally made a decision binding on the Contracting Party concerning the choice of the type of claim to which the Contracting Party shall have the right in that respect. The Contracting Party's statutory warranty complaint may include the type of claim referred to in the preceding sentence, albeit this shall not be binding on SILSPEK.
- 4) The types of claims referred to in item 3 above shall be as follows: repair of the Goods, price reduction (discount) or replacement of the Goods with non-defective ones.
- 5) In the first instance, SILSPEK shall try to repair the Goods complained about, provided that the Complaint has been deemed to be valid.
- 6) SILSPEK shall examine the validity of the Complaint and inform the Contracting Party about the decision made and the method of completing the Complaint Handling Procedure.
- 7) Subject to item 8 below, the Contracting Party shall be entitled to a statutory warranty against physical defects of the Goods during a period not exceeding the shelf life of the Goods affected by a defect. The shelf life of the Goods, beginning on the day of manufacture of the Goods, is always indicated in the Offer which was accepted by the Contracting Party. If the Contracting Party sends a complete statutory warranty complaint after the expiry of the above-mentioned shelf life, such a Complaint shall be, by law, deemed invalid.
- 8) Should the Contracting Party fail to include in the delivery documentation (or in the documentation of acceptance of the Goods), at the time the delivery of the Goods has been completed, their objections in writing to the delivered (accepted) Goods with regard to the quantity and type, the Parties shall deem the delivery (acceptance) to be duly performed

by SILSPEK in this respect.

- 9) The liability of SILSPEK in respect of the statutory warranty against legal defects of a product (the Goods) shall be excluded.

2. Basic Terms and Conditions of the Complaints Handling Procedure

- 1) The Complaint shall be submitted by the Contracting Party only using a statutory warranty complaint form available on SILSPEK's website: www.silspek.pl. The completed statutory warranty complaint form shall be sent by e-mail to the following address: reklamacje@silspek.pl.
- 2) A statutory warranty complaint shall be deemed to be complete when SILSPEK's Complaints Department has received from the Contracting Party a correctly and legibly filled out statutory warranty complaint form and the following necessary materials:
 - photographs;
 - in the case of a compound – at least a 300 g sample;
 - a sample of the product made by the Contracting Party using the Goods complained about.

This shall not apply to situations whereby the statutory warranty complaint relates to a product or form of packaging of the Goods sold. In this case, the only required attachment shall be the photographs.

- 3) The photographs concerning the statutory warranty complaint shall be attached to the e-mail message containing the statutory warranty complaint form in the following format: name_file.jpg.
- 4) In the case of compounds and products, samples to the statutory warranty complaint shall be sent to the following address:

Silspek Rubber Sp. z o.o. Sp. K.

ul. Jańskiego 2

46-081 Dobrzeń Wielki

with the following obligatory note: Dział Wsparcia Sprzedaży/Sales Support Department.

The package shall contain the following information:

- name of the Goods;
 - purchase order number;
 - invoice number;
 - purchase date;
 - a description making it clear that this is an enclosure to the statutory warranty complaint.
- 5) All costs connected with the procedure of deciding whether the Complaint is valid shall be borne by the Contracting Party.
 - 6) SILSPEK shall provide a response regarding the Complaint within 40 days of the day the Contracting Party submitted a complete statutory warranty complaint.

3. Rules for the Delivery of the Goods Complained About and their Repair or Replacement with Non-defective Ones

- 1) If SILSPEK deems the Complaint to be valid, the shipping of the Goods complained about by the Contracting Party to SILSPEK may only be carried out once the former has obtained the consent of SILSPEK's Sales Support Department concerning the shipping of the said Goods.
- 2) The Contracting Party shall ship the Goods complained about within 7 days of the date they obtained the consent to shipping from SILSPEK's Sales Support Department.
- 3) Once the consent referred to in item 1 above has been obtained, the Goods complained about shall be shipped to the following address:

Silspek Rubber sp. z o.o. sp. k.

ul. Jańskiego 2

46-081 Dobrzeń Wielki

with the following obligatory note: Zwrot reklamacyjny/Statutory Warranty Return.

The package shall contain the following information:

- name of the Goods;
 - purchase order number;
 - invoice number;
 - purchase date;
 - a description making it clear that this is a return of the Goods complained about.
- 4) The costs and risk associated with shipping the Goods complained about shall be borne by the Contracting Party. The Goods complained about shall be delivered to SILSPEK properly secured during transport in order to exclude the possibility of a defect due to reasons attributable to the Contracting Party or the carrier.
 - 5) SILSPEK's Sales Support Department shall check each time whether the shipped and complained about Goods are consistent with the information contained in the statutory warranty complaint. All costs arising from inconsistencies between the Goods complained about and the information in the statutory warranty complaint shall be borne by the Contracting Party.
 - 6) Once SILSPEK has conducted a positive verification of the shipped and complained about the Goods referred to in item 5 above they shall send to the Contracting Party the non-defective Goods (as a result of a conducted repair or their replacement) within 14 days of the date of acceptance of the Goods complained about.

4. Price Reduction (Discount)

Should SILSPEK deem the Complaint to be valid, they shall make, in accordance with § 7.1.3 and 7.1.4 of the GTCS, a decision to reduce the price (award of discount) of the Goods complained about, informing the Contracting Party in line with § 7.1.6 of the GTCS about the decision made concerning the submitted Complaint and indicating the amount of the discount awarded (reduced price).

5. Contact

In the event of any questions or doubts regarding the handling of the statutory warranty complaints, please contact:

SILSPEK's Sales Support Department, phone: + 48 77 40 85 449, e-mail: reklamacje@silspek.pl.

§ 8 (Term of the GTCS)

The GTCS shall be applicable to all Orders SILSPEK receives from the Contracting Parties from 1 January 2016 onwards.

§ 9 (Severability)

In the event any of the provisions of the GTCS is or will become invalid or ineffective, this shall not affect the validity or effectiveness of the remaining provisions of the GTCS. Should the above be the case, the Parties shall replace the ineffective or invalid provisions of the GTCS with provisions whose content is most adequate to the intended purposes of the GTCS.

§ 10 (Final Provisions)

1. The governing law shall be the Polish law, both for the GTCS and for the resolution of any disputes arising from sales and/or supply agreements entered into with the Contracting Parties. In the first instance, provisions of the Polish Civil Code shall apply to all matters not governed by the GTCS.
2. Any possible disputes arising from sales and/or supply agreements shall be settled by a materially competent common court of law with seat in Opole.
3. Provisions of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 shall not apply to sales and/or supply agreements (Dz. U. [Journal of Laws] of 1997 No. 45 item 286 as amended).
4. Each Party shall immediately inform the other Party about the change to persons authorised to accept the Goods/submit and sign statements on behalf of the Party as well as about the change to address details. In case of absence of such notification, statements submitted by persons authorised thus far and served to previous addresses shall be deemed correctly submitted and served respectively.