

GENERAL TERMS AND CONDITIONS OF SALE

1. General

1. The definitions used in these General Terms and Conditions of Sale shall have the following meaning:

Seller means UAB Šamoto centras, registered office at K. Donelaičio g. 1G, LT-69430 Kazlų Rūda.

Buyer means any entity that purchases goods or services of the Seller with whom the Seller has concluded a Contract.

Offer means an offer submitted by the Seller to the Buyer in response to an enquiry for the price or without such an enquiry, and which includes the details of the Parties, the object of the sale, the selling price, and which are accompanied with the Seller's General Terms and Conditions of Sale.

Order means an order for the Goods placed by the Buyer to the Seller; where the Order is submitted in response to the Offer, it contains the number of the Offer and a statement that the Seller's General Terms and Conditions of Sale were served to the Buyer before the conclusion of the Contract.

Contract means a contract concluded between the Seller and the Buyer on the basis of the Offer and the Order or a Commercial Contract.

Commercial Contract means a commercial contract concluded between the Seller and the Buyer, executed in writing in the form of a single document.

Goods means any and all material values, movable property, energy and rights (including any necessary additional materials, documentation), or services the sale of which is the object of the Contract.

General Terms and Conditions of Sale or GTCS means these General Terms and Conditions of Sale.

Equipment means a technical kit made to produce the Goods, including the moulds.

Parties means the Buyer and the Seller.

2. The General Terms and Conditions of Sale shall define the conditions of the sale of Goods by UAB Šamoto centras.

3. The General Terms and Conditions of Sale shall apply to all sales contracts concluded by the Seller, unless the Parties agree otherwise in writing by executing a separate Commercial Contract.

4. In the event of any conflict between the General Terms and Conditions of Sale and the provisions of the Commercial Contract, the provisions of the Commercial Contract shall prevail.

5. All Contracts concluded by the Seller shall be subject only to the Seller's General Terms and Conditions of Sale. Contracts shall not be subject to any forms of contracts used by the Buyer, unless otherwise agreed between the Parties in writing.

6. Notices, advertisements, price lists and other information about the Goods offered by the Seller are of a purely informational nature and are not deemed to be an offer.

2. Orders and conditions for the conclusion of Contract

1. Offers and Orders shall be submitted in writing, by registered mail, by courier mail, by e-mail or by fax. Any verbal statements shall not be bidding to the Parties as long as they have not been approved in one of the ways listed above.

2. Except where negotiations are taking place between the Parties for the purpose of concluding a Commercial Contract, a contract is concluded when the Seller submits to the Buyer an offer containing the details of the Parties, the object of sale, the selling price together with the General Terms and Conditions of Sale, and the Buyer, in response to the offer, submits the Order on the basis of that offer, for example by indicating the number of the Offer and claiming that the General Terms and Conditions of Sale were served to the Buyer before the conclusion of the Contract. The Contract shall be concluded after the order is submitted to the Buyer.

3. The Offer submitted by the Seller can be accepted without any reservations only. If the Buyer submits reservations or modifications, the Contract shall be concluded only after the Seller submits an offer which takes into account any modifications specified in the Order, or upon confirmation of the Order by the Seller with such modifications.

4. The Offer submitted by the Seller may be cancelled before the conclusion of the Contract, if the cancellation statement was submitted to the Buyer before placing the Order.

5. Where the Buyer places the Order without the offer being submitted by the Seller, the Order placed by the Buyer must contain the full name of the Buyer according to the entry in the relevant register, the name and type of the Goods, the quantity of Goods, the deadline for the delivery of the Goods and any other additional information necessary in accordance with the subject matter of the Order. The Seller shall provide the Buyer with an Order confirmation indicating the details of the Parties, the object of sale and the selling price. The Contract shall be concluded at the moment when the Buyer receives the Order confirmation. The Order shall be approved within 7 working days.

6. The Order placed by the Buyer cannot be cancelled.

7. The General Terms and Conditions of Sale are served together with the Offer or Order confirmation. If these Terms and Conditions have not been served in the manner indicated in the preceding sentence, the General Terms and Conditions of Sale available at www.samotocentras.lt or on the website indicated in the Offer or in the Order confirmation shall apply.

3. Conditions of and deadlines for the delivery of Goods

1. All Goods shall be subject to EX WORKS delivery conditions in accordance with INCOTERMS 2010, unless otherwise agreed by the Parties in writing.

2. The time limit for the execution of the Order shall be calculated from the date of conclusion of the Contract, however, in the event where, in accordance with the Contract, the Buyer is obliged to provide the Seller with the documents necessary to execute the Contract (e.g. technical drawings) or to pay an advance, the time limit for the execution of the Order shall be calculated from the date of submission of the specific documents or payment of advance.

3. Force majeure as well as any other unforeseen events, such as interruptions in the company's

activities, including interruptions in electricity, gas supply, failures of facilities or equipment related to the execution of the Order, interruptions in the work of the Seller's company, including strikes, blockades, riots and any other disturbances caused through no fault of the Seller, which prevent from or complicate the delivery of Goods, shall extend the time limit for the delivery of the Goods for the time of persistence of such disturbances.

4. The Buyer shall have no right to demand any contractual penalties from the Seller as a result of delay in delivery.

5. The Buyer must collect the Goods no later than within 1 month from the time agreed by the Parties for the delivery of Goods. After this period, the Buyer will have to pay to the Seller any costs related to the storage of the Goods.

4. Prices and terms of payment

1. The prices of the Goods are presented excluding VAT and the VAT must be added to them in accordance with the tax provisions in force in this area during the respective period.

2. If the payment deadline is not indicated on the invoice, it is mandatory to make the payment within 7 days from the date of receipt of invoice.

3. The date of settlement shall be the day when the payment is credited in the Seller's bank account or, if paid in cash, the day of the entry of cash into the Seller's cash register.

4. The Seller shall have the right to suspend the supply of the next batches of Goods until the Buyer pays for the Goods that have already been delivered.

5. In order to ensure the demand to pay the price under the sales contract, the Buyer, upon request of the Seller, will provide a guarantee, in particular, in the form of a deposit, mortgage, bill of exchange, surety, transfer of credit claim.

6. Unless the Parties agree otherwise, the Buyer must accept and pay for the additional Goods that must be produced in the course of production process (overproduction) and the quantity of which does not exceed 5% of the total quantity of Goods ordered.

5. Packing, labelling

1. The Goods shall be packed in accordance with the provisions and standards applied by the Seller, unless the Parties have determined a different method of packaging in writing.

2. Unless the Parties have agreed otherwise in writing, the costs of packaging shall be borne by the Buyer. The terms of payment for the Goods shall apply to the payment for the packaging.

3. If, at the Buyer's request, the Goods must be packed in a manner different from the rules accepted by the Buyer (e.g. belts, reinforcement of edges), the Buyer must cover any additional costs of packaging, unless the Parties have agreed otherwise in writing.

6. Warranty

1. The Seller shall provide a warranty for the Goods. The warranty shall cover only defects related to quality, understood as the non-conformity of physical and chemical parameters of the Goods with the values provided in the technical data sheet and the non-conformity of the mould or format with

the order including the drawing.

2. In the event of a defect in the Goods covered by the warranty, the Seller may, according to his own discretion, replace the Goods with the goods without defects or to return the price for the part of the Goods that contain defects.
3. Upon the receipt of the Goods, the Buyer must immediately check the Goods in terms of quantity and quality. The Buyer must notify the Seller of any non-compliance with the quantity in writing within 3 days from the date of delivery of the Goods, otherwise, he will lose the right to submit a claim regarding the quantity of goods, and the claims regarding the quality (defects of Goods) shall be submitted within 14 days, otherwise, he will lose the warranty for the Goods.
4. The warranty period for the Goods shall be 12 months from the date of their delivery, however, this warranty is valid until the Buyer has combined the Goods with another movable or immovable object or mixed with other materials.
5. The warranty period for the Goods may be extended for a period exceeding 12 months for an additional remuneration and on the basis of separate written agreements between the Parties.
6. The warranty does not cover qualitative defects resulting from external causes, mechanical damage caused due to force majeure, natural phenomena (rain – hydration), improper use of Goods, improper warehousing and storage of Goods, as well as normal wear and tear during operation.
7. Unless otherwise agreed in writing by the Parties, the permitted percentage of defective units (AQL) shall be 6.5%, according to the international standard ISO 5022 of 24 October 1996 established by the Polish Committee for Standardisation (Decision No 38/96-o). If the Goods comply with this standard, the Buyer shall not be entitled to use the warranty for the defects of Goods.
8. In the event of establishment of any defects in the Goods, if the Parties cannot reach a peaceful agreement, the disputes concerning the quality of the Goods shall be settled by the Quality Commission. The Quality Commission will carry out an expert examination of the quality of the Goods. The expert examination carried out provides the basis for submitting claims on the basis of the warranty. The Expert Examination Commission shall consist of 3 (three) members: one representative of the Seller and one of the Buyer, and one expert of the Institute of Refractory Materials in Gliwice. Where the expert examination shows that the Goods are free from any physical defects resulting from the causes contained in the product itself, the costs of examination will be covered by the Buyer. Otherwise, the costs of the expert examination will be borne by the Seller.
9. The use of the warranty does not give the Buyer a reason to terminate the contract and does not exclude the obligation to pay for the Goods delivered.
10. Warranty claims for the defects of Goods under the Civil Code of the Republic of Poland shall not apply.

7. Liability for the damage suffered

If the Seller fails to perform or improperly performs any contractual obligations, the Seller shall be liable to the Buyer only for the damage actually suffered by the Buyer directly due to the actions or inaction of the Seller. The amount of compensation for damages shall in no case exceed the price specified in the Sales Contract.

8. Right of ownership

1. The Goods delivered shall belong to the Seller by the right of ownership until the moment of payment of the price, unless the Parties agree otherwise in writing.
2. If, before paying the full price for the Goods delivered, they are combined with the movable or immovable property of the Buyer in such a way that their restoration to the previous condition would be related to excessive difficulties or costs, the Seller and the Buyer will become joint owners of the whole. The parts of the joint ownership will be determined according to the ratio of the values of the combined items. The Seller shall cease to be the co-owner of the aforesaid movable property upon payment of the full price for the Goods by the Buyer.
3. The moulds and equipment necessary for the production of Goods (profiles) are owned by the Seller, as well as in the case where the Buyer covers their production costs and they are manufactured in accordance with the Buyer's instructions.

9. Transfer of the right of claim

1. It shall be prohibited to transfer any claims of the Buyer related to the Contract to any third parties without a written consent of the Seller.
2. The Buyer cannot deduct any sum owned from the Seller from the price owned by the Seller without a consent of the Seller.

10. Industrial property law and confidentiality

1. Any information disclosed by the Seller to the Buyer, his representatives, related entities, including, in particular, technical, technological, industrial, commercial, financial information, regardless of the method of transfer of such information, may not be transferred to any third parties without the Seller's written consent.
2. The Seller reserves the right of ownership to all documentation related to the performance of the Contract, in particular, projects, photographs, drawings and calculations as well as equipment intended for the performance of the Contract. This documentation may not be disclosed to any third parties without a written consent of the Seller.

11. Resolution of disputes

Any disputes that may arise between the Parties in connection with the conclusion or execution of the Contracts for the sale of Goods to which these General Terms and Conditions of Sale apply will be resolved, according to the discretion of the Seller, in the competent court in Katowice, or in the court according to the address of the Seller's registered office.