
GENERAL TERMS AND CONDITIONS FOR DELIVERY OF GOODS FOR OFZ, A.S.

1. Introductory Provisions and Subject Matter of the Agreement

- 1.1. General Terms and Conditions herein specify particular rights and responsibilities for Buyer and Seller which are not expressly stipulated in Contract. General Terms and Conditions herein are a part of the Agreement upon its conclusion between Parties. The Seller confirms that upon signing the Agreement, he/she is aware of General Terms and Conditions, and he/she agrees with the provisions herein. Should the provisions of Agreement be different from those indicated herein, the provisions of Agreement shall apply.
- 1.2. The Order shall be deemed the Agreement and the Agreement shall be deemed to have been concluded between the Parties if the Buyer within fourteen (14) days after receipt of the Order signs and delivers the Order to the Seller, he/she can choose to send the scanned copy of accepted Order onto the relevant email address of the Seller.
- 1.3. Pursuant to this Agreement the Seller shall deliver the goods and transfer the title of the goods to the Buyer and the Buyer shall pay Seller the Price of goods.

2. Definitions

- 2.1. For the purpose of Agreement and General Terms and Conditions hereof, the following words have the following meaning.
- 2.2. „**Goods**“ is the movable property - article as stipulated in the Agreement.
- 2.3. “ **Price**“ is a price paid for the Goods as stipulated in the Agreement.
- 2.4. „**Expert**“ – is a person designated by the Buyer that analyzes and evaluates the quantity and quality of the Goods or movable properties/articles similar to the Goods.
- 2.5. „**INCOTERMS**“ – are INCOTERMS 2010.
- 2.6. „**Parity**“ – is a parity as set forth in INCOTERMS.
- 2.7. „**Documents**“ – are all documents as stipulated in the Agreement.
- 2.8. “**Agreement**“ is a purchase and sale agreement (the Order form Buyer as accepted by the Seller) including, but not limited to, all legal documents amending the Agreement.

3. Quantities and Delivery of the Goods

- 3.1. The Seller shall use a normal packaging if not otherwise specified by the Agreement.
- 3.2. Seller shall deliver the Goods to the Buyer pursuant to INCOTERMS, Parity is included in the Agreement. Seller shall also hand over any Documents relating to the Goods to the Buyer. Should there is a need to submit also other papers and records besides Documents, Seller shall hand over any of these papers and records to the Buyer.
- 3.3. Any persons delivering the Goods to the Buyer`s site shall comply with all health & safety rules and regulations of the Buyer including all safety working procedures of the Buyer.

4. Price for the Goods and Payment Terms

- 4.1. The Price for Goods is due within 60 days any Goods and invoice have been delivered to the Buyer.
- 4.2. Invoice shall include all items under valid rules and regulations of binding force. Should this be the case and this invoice does not comply with any valid rules and regulations, the Buyer is not obliged to pay the Price for Goods. VAT (value-added tax) shall be charged pursuant to legal rules and regulations of binding force effective from the date of invoice.

5. Liability for Defective Goods

- 5.1. The Buyer shall notice the Seller in writing that the delivered Goods are defective (hereinafter referred to as „**Claim**“) within five (5) days of delivery. Seller shall declare his/her opinion within three (3) days after receipt of such Claim.
- 5.2. Should the delivered Goods not comply with the quantity, quality, packaging or be not free of defects, legal errors, or any other errors as set forth in the Agreement, the Buyer is obliged to:
 - 5.2.1. require to remove any defects through replacing and delivering the Goods free of any defects within seven (7) days after delivery of notice to the Seller, and/or
 - 5.2.2. require a discount from the Price, and/or
 - 5.2.3. withdraw from the Agreement, and/or
 - 5.2.4. not to pay the Price for Goods, or the portion of Price for claimed Goods until the Claim is resolved at the option of the Buyer.
- 5.3. Should the Claim be not admitted by the Seller, the Buyer can refer to the Expert to perform an analysis of the claimed Goods. Should the Expert:
 - 5.3.1. accept the Claim, Seller shall proceed with the provisions stipulated in Article 5.2 of General Terms and Conditions and pay the costs incurred by Expert;
 - 5.3.2. dismiss the Claim, Buyer shall receive the claimed Goods and pay the costs incurred by Expert.
- 5.4. The Goods have legal errors if there are any rights of the third parties, an/or any liens and/or the Seller is not entitled to dispose of the Goods and/or he/she is not an exclusive owner of the Goods.

6. Non-performance of the Agreement

- 6.1. The occurrence of any of the following shall constitute a non-performance under this Agreement:
 - Seller has breached/has not fulfill any obligation arising from the Agreement or from General Terms and Conditions or from any other agreement concluded with Buyer;
 - Seller fails to properly deliver the Goods or part of the Goods in time or the Goods are defective, have legal errors or any other errors;
 - delivery of a petition for initiating bankruptcy proceedings in respect of the assets of the Seller;

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- authorization for the trustee to prepare a restructuring opinion in respect of the assets of the Seller according to the relevant legal regulations;
 - the relevant Seller's bodies shall have adopted a decision on entry of the Contractor into liquidation, or the Seller is in crisis (pursuant to Article 67a of Commercial Code);
 - occurrence of an execution title, e.g. statement of delinquent payments, in connection with failure to pay any statutory payments by the Seller (e.g. payment of taxes, customs duties, levies);
 - commencing of an execution proceedings or tax execution proceedings or enforcement of a decision against the Seller as the person liable;
 - Seller obtains a reasonable and probable cause that acting of Buyer is contrary to or evade the legal rules and regulations of binding force or general principles or good manners and practices;
 - occurrence of Force Majeure (for example strikes, natural disasters, wars, etc.).
- 6.2. Should the Non-performance of Agreement occurs, the Customer has a right to withdraw from the Agreement. Withdrawal from this Agreement is without prejudice to the right of the Buyer to be paid a contractual penalty.
- 6.3. Should there be a delay in delivery of Goods to the Buyer, Seller shall pay the Buyer a contractual penalty in the amount of 0.1 % from the Price for Goods per any day of delay.
- 6.4. Should the Goods not be delivered to Buyer properly within thirty (30) days after the term of delivery as stipulated in the Agreement (Order - Purchase and Sale Agreement), Seller shall pay the Buyer a contractual penalty in the amount of 20 % from the Price for Goods.
- 6.5. Should the Seller breach any safety rules and regulations of the Buyer, Seller shall pay the Buyer a contractual penalty as stipulated in Health, Safety & Environmental Guidelines for the Buyer relevant for a particular breach.

7. Communication and Notices

- 7.1. The Parties agree that except as stipulated in Section 7.2. of General Terms and Conditions except, any notice, request, or consent, or any other communication of Parties under Agreement (hereinafter referred to as „**Notice**“) shall be made in writing and shall be delivered to intended Party personally, by registered mail, or by courier. Correspondent addresses are indicated in the heading to this Agreement.
- 7.2. Any operative matters under Contract may also be resolved by e-mail or phone. Email addresses and phone numbers are indicated in heading of the Agreement.
- 7.3. The Parties agree that (i) the Notice delivered personally shall be deemed delivered when received by the Party for which it was intended; (ii) the Notice delivered by registered mail shall be deemed delivered three (3) working days after having been sent to the correspondent address whether delivery had been successful or not, and for this purpose, a postal receipt shall serve as an evidence, (iii) the Notice delivered by courier shall be deemed delivered when received by the Party for which it was intended, in the event that the delivery of notice delivered by courier, is unsuccessful, the notice shall be deemed delivered three (3) working days after

having been sent the first time, and for this purpose, the statement of a courier, particularly DHL, IN TIME UPS, shall serve as an evidence.

8. Final Provisions

- 8.1. Any amendments to the Agreement shall be made in writing and such amendments shall enter into force upon being signed by both Parties hereto.
- 8.2. The Parties agree that Seller shall not assign or transfer its rights (including receivables) and/or obligations under the Contract in whole or in part to the third party without a prior written consent of Buyer. Any transfer of rights and/or obligations and/or receivables contrary to Section 8.2 of these General Terms and Conditions shall be deemed null and void.
- 8.3. The Seller shall keep any information that he learned pertaining the performing of the Agreement on Buyer and his/her clients in trust and confidence. Such information include, but are not limited to, the information on legal, trade, production & technical matters and legal disputes that Seller learns during the course of performing the Contract and that are of an internal or confidential matter, or that are to be kept confidential on the basis of Buyer`s intention, or there is a reason to assume that these information on the Buyer and his/her clients be of confidential matter. The Seller shall hold in trust and confidence all information during the term of this Agreement and also after the termination of Agreement in any way and for any reason.
- 8.4. The Agreement and the Terms and Conditions constitute the whole agreement between the Parties as to their subject matter and fully substitute any prior oral and written agreements of the Parties and questions as to its subject matter.