

GENERAL SALES CONDITIONS

SCHILSNER INDUSTRY GROUP SP. Z O.O.

1. DEFINITIONS

- 1.1. Seller – Schilsner Industry Group sp. z o.o. with its registered office in Wrocław at ul. Bierutowska 77, 51-317 Wrocław, entered in the register of businesses kept by the District Court for Wrocław - Fabryczna in Wrocław, 6th Commercial Division of the National Court Register under KRS No. 0000245108, National Business Register (REGON) No.: 020171714, Taxpayer Identification Number (NIP): 8951844799, with share capital of: PLN 850,000.00;
- 1.2. Buyer – an entity (a natural person, a legal person or an organizational unit without legal personality, to which the Act grants legal capacity) concluding with the Seller an agreement for the sales, delivery, provision of services or other agreement (including an innominate one) of a similar type;
- 1.3. Order – a written or electronic (e-mail, fax, etc.) statement of the Buyer expressing the will to conclude an agreement, defining its essential provisions or constituting acceptance of the Seller's offer;
- 1.4. Agreement – includes written or electronic (e-mail, fax, etc.) Buyer's order confirmed by the Seller or Seller's offer accepted by the Buyer;
- 1.5. GSC – these General Sales Conditions.

2. CONCLUSION OF AN AGREEMENT

- 2.1. The GSC apply to all Agreements, including future ones, concluded between the Seller and the Buyer, even if the parties did not include such a reservation in these Agreements, unless the parties expressly agree otherwise.
- 2.2. An Agreement is deemed concluded only after written or electronic confirmation of the Buyer's order by the Seller, in accordance with the content of such confirmation or confirmation of the Seller's offer by the Buyer, without the Buyer's comments, in accordance with the content of the Seller's offer. Any deviations from the GSC are binding for the Parties only if they are clearly indicated in one of the documents issued by the Seller.
- 2.3. The Buyer has the right to make reservations to the terms and conditions presented in the Seller's order confirmation or to the Seller's offer, provided that it does so immediately, no later than the next business day by 12:00 am from the date of receipt of the order confirmation or offer. The absence of any comments to the order confirmation or offer within the time limit specified above is deemed acceptance by the Buyer of the Seller's terms and conditions without comments.
- 2.4. If the Buyer makes reservations to the Seller's order confirmation or Seller's offer within the time limit specified above, the Seller will take into account the reservations in a new offer or order confirmation or inform the Buyer about the rejection of the reservations or lack of possibility to conclude an agreement. The possibility of concluding an Agreement taking into account the Buyer's reservations without their prior express acceptance by the Seller is excluded. In case of doubt, it is deemed that the Seller has rejected the reservations and the Agreement has been concluded on the terms previously specified by the Seller.
- 2.5. The Agreement will not be subject to any other terms and conditions or provisions presented by the Buyer, which have not been previously expressly accepted by the Seller in writing or in electronic form, in particular the application of any general contractual terms and conditions of the Buyer is excluded.
- 2.6. Unless otherwise stated by the Seller's offer, all offers are valid for a period of 5 days from their preparation.
- 2.7. All documents marked as "price list" do not constitute an offer within the meaning of the Civil Code and are for information purposes only. A price list may constitute a binding offer only if it is expressly stated, including by setting a period of validity, and is addressed to an individual recipient.
- 2.8. Regardless of the provisions of an offer, including the price list, it expires at the latest within 6 months from the date of its preparation.

3. PAYMENT OF THE PRICE

- 3.1. If there is a material change in economic conditions between the submission of an offer or the conclusion of an agreement and its performance, in particular a material change in the prices of raw materials, production costs, wages or public liabilities, the Seller is entitled, within two months from the change in conditions, to adjust the price in a manner proportional to its increased costs in relation to the costs as of the date of the agreement conclusion.
- 3.2. If the Buyer is in arrears with the payment of any amount due from the Seller under any legal relationship, the Seller has the right to refrain from the performance of an Agreement until the Buyer settles the arrears in full with interest for delay.
- 3.3. Unless otherwise agreed, the price under an Agreement is due within 7 days from the date of performance of the Agreement.
- 3.4. Unless the Seller decides otherwise, the possibility of the Buyer to offset its liability towards the Seller for the payment of the sale price against any amount due from the Seller is excluded.
- 3.5. The Seller is entitled to issue an invoice without the Buyer's signature.

4. EARLY PAYMENT DISCOUNT

- 4.1. In the event that the Seller provided in an Agreement for granting the Buyer a discount for early payment, it will be granted on the terms and conditions specified in the Agreement.
- 4.2. The amount of early payment discount is specified in an Agreement.
- 4.3. In case of granting an early payment discount, after the end of the month in which the payment was made, the Seller will issue an appropriate correction invoice taking into account the discount granted.

5. OBLIGATIONS OF THE SELLER

- 5.1. If the Parties have not specified in an Agreement who is responsible for the delivery of the subject of the Agreement, the Parties determine the terms of delivery on the basis of:
- 5.1.1. Incoterms 2010 CPT Wrocław in case of delivery in Poland and order value exceeding PLN 1000 net.
 - 5.1.2. Incoterms 2010 EXW Wrocław in case of delivery in Poland and order value up to PLN 1000 net.
 - 5.1.3. Incoterms 2010 EXW Wrocław for each foreign delivery.
- 5.2. In any case, an Agreement is deemed performed by the Seller at the place and time when the subject of a given Agreement is handed over to the carrier indicated by the Seller or when the goods are left at the disposal of the Buyer in the case of Incoterms 2010 EXW Wrocław.
- 5.3. The Buyer is obliged to collect the subject of an Agreement from the carrier or the Seller. If the subject of an Agreement is not collected due to reasons attributable to the Buyer, the Seller is entitled to charge the Buyer with full transport costs, including those resulting from the first and each subsequent attempt to deliver the subject of the Agreement, as well as costs of storing and securing the subject of the Agreement until its collection by the Buyer. In such a case, the Buyer will also be obliged to accept the subject of the Agreement from the place indicated by the Seller, at its own expense and risk. After 30 days from the date of delivery or the date of its collection specified in the Agreement, the Seller has the right to resell the subject of the Agreement or to destroy or recycle it and charge the Buyer with relevant costs related thereto. The funds obtained by the Seller from the sale of the subject of the Agreement or its recycling will be credited towards the Buyer's liabilities against the Seller or returned accordingly.
- 5.4. The term of delivery of the subject of the Agreement resulting from such an Agreement commences on the day following the confirmation of an order by the Seller or acceptance of the Seller's offer by the Buyer, but is extended by a period of delay of the Buyer in taking actions resulting from the obligation to cooperate, in particular the payment of any agreed advance payment, earnest money or providing the Seller with information necessary to deliver the subject of the Agreement on time, as well as by a period of delay resulting from reasons beyond the control of the Seller.
- 5.5. Schilsner shall not be liable for any non-performance or delay in performance of the agreement (or delivery) caused as a result of circumstances beyond its control, including acts or omissions caused by force majeure, which shall be understood as occurrence of an external event that is beyond the control of the parties and could not have been foreseen, such as accidents, fires, wars, catastrophes, epidemics and pandemics, traffic incidents during transport, riots, natural disasters, strikes, lockouts, labour disputes, criminal incidents, changes in legal status, administrative decisions and orders of state authorities. The above shall also apply if circumstances occur on the Schilsner's suppliers or subcontractors side. Force majeure shall also be deemed to exist if suppliers or subcontractors of Schilsner, which are key to the performance of the Agreement, are unable to fulfil their obligations to Schilsner as a result of bankruptcy or other cessation of business.
- 5.6. Force majeure shall also be understood to mean the COVID-19 epidemic, its consequences, as well as actions by state administration authorities related thereto.
- 5.7. In the event of force majeure, the deadlines for the execution of the contract shall be extended accordingly.
- 5.8. If, due to the above, a delay in the execution of the contract exceeds 30 days, the parties will enter into discussions to determine further conditions and deadlines for the execution of the contract. Schilsner reserves the right, however, to withdraw from the Contract (in whole or in part) if its performance becomes impossible, significantly difficult or, in Schilsner's opinion, economically unreasonable.
- 5.9. Proper performance of an Agreement is conditioned by the timely receipt by the Seller of the supplies required to perform the subject of such an Agreement.
- 5.10. The Seller is entitled to divide the performance into parts.
- 5.11. The Seller is entitled to withdraw from an Agreement within 60 days from becoming aware of one of the following circumstances:
- 5.11.1. in relation to the Buyer or the Buyer's guarantor (if there was a guarantee), a petition was filed for bankruptcy, initiation of rehabilitation proceedings or initiation of other similar insolvency proceedings, or there were grounds for filing such motions;
 - 5.11.2. the Buyer or the Buyer's guarantor (if there was a guarantee) suspended its payments permanently or temporarily or its financial situation deteriorated to such an extent that the repayment of receivables under the agreement will be endangered;
 - 5.11.3. the Buyer has not fulfilled its obligations in full within the time limit, has not provided adequate security or has otherwise violated the provisions of the agreement.
- 5.12. In the event of the Seller's withdrawal from an Agreement or in the event of the occurrence of circumstances specified above in this point:
- 5.12.1. the Seller is not obliged to pay the Buyer any compensation or incur any other costs related to the withdrawal from an Agreement, and all claims of the Seller against the Buyer under the Agreement become immediately due and payable;
 - 5.12.2. the Seller is entitled to refrain from performing its own obligations towards the Buyer from any legal relationship until its claims are met or the Buyer provides appropriate security accepted by the Seller;
 - 5.12.3. the Buyer forfeits all discounts, rebates and early payment discounts provided for in the Agreement;
 - 5.12.4. all other rights of the Seller remain unaffected.

6. RETENTION OF TITLE

- 6.1. The Seller retains ownership of the subject of an Agreement until the payment of the full sales price by the Buyer.

- 6.2. The Buyer is obliged to cover all costs related to the collection of the subject of an Agreement being the property of the Seller, in accordance with the above provision, when it occurs in connection with a delay in payment of the amounts due under the Agreement, as a result of withdrawal from the Agreement or as a result of other breaches of the Agreement.

7. WARRANTY

- 7.1. The Parties limit the statutory rights of the Buyer under warranty to the rights and principles specified in the points below. These GSC regulate in full and in a complete manner the Seller's liability under the warranty for the subject of an Agreement.
- 7.2. The Buyer is obliged to examine the subject of an Agreement at the time of its collection. If the subject of an Agreement does not comply with the Agreement, the Buyer is entitled to lodge a complaint within 5 days from the date of receipt of the subject of the Agreement, otherwise it may lose its warranty rights.
- 7.3. In the event any damage or shortage is found in the subject of an Agreement upon delivery, the Buyer is obliged to write an appropriate report regarding this circumstance together with the carrier and notify the Seller thereof within 48 hours of delivery, otherwise the Buyer may lose its warranty rights.
- 7.4. Hidden defects must be reported immediately, at the latest within 7 days from their discovery. Hidden defects are deemed to be only defects which could not be detected during the examination of the Agreement subject at the time of its collection by the Buyer, while maintaining due professional care of the Buyer.
- 7.5. In the case of complaints resulting from the inconsistency of quantity or selection of finish of the subject of an Agreement, only the return of a fully-fledged Agreement subject, i.e. which retains the following quality characteristics, is accepted: no mechanical damage, visible dirt, non-factory markings made arbitrarily by the Buyer, as well as having proper labels and branding, marked with the date of the production batch no older than two years and characterized by standard cut-out and good rotation.
- 7.6. The Seller reserves the right to reject a complaint if the subject of the Agreement shows that it is being used or stored contrary to its intended purpose, instructions or in breach of the requirements of due diligence.
- 7.7. All complaints should be described in a complete and precise manner on the Complaint Form made available by the Seller at www.schilsner.pl. Presentation of a complaint is done by sending the complaint form to reklamacje@schilsner.pl, which should be accompanied by photos of the label of the subject of the Agreement and photos presenting the reported defect. At the Seller's request, the Buyer will immediately provide additional photographs, recordings or other reasonable materials confirming the defect in the subject of the Agreement. The Seller reserves the right to reject complaints made in violation of the indicated requirements.
- 7.8. In the event of notification of a defect, the Seller is entitled to require the Buyer to send or place at the disposal of the Seller the disputed goods in order to verify them, otherwise the Buyer may lose its warranty rights.
- 7.9. The Seller will process the complaint within 30 days from the date of its submission.
- 7.10. If a complaint is accepted, the Seller will replace the defective subject of the Agreement or return its sales price, at its own discretion, within 30 days from the date of making a statement in this respect. The Seller may also reduce the price of the defective subject of the Agreement, based on arrangements agreed with the Buyer. The Seller reserves the right to send a non-defective subject of the Agreement together with the execution of a subsequent order for the Buyer.
- 7.11. If a complaint is not accepted, the Buyer will reimburse the Seller for all costs of the unjustified complaint procedure, including in particular the costs of transport and examination of the subject of the Agreement.
- 7.12. The Seller is not liable for damage caused by the subject of the Agreement if it was used before due verification or examination by the Buyer. Prior to using the subject of the Agreement, the Buyer is in particular obliged to examine whether there are any visible physical defects, including discolorations or other color irregularities, and to verify its adhesion.
- 7.13. With reference to the manufactured edgebands the Seller holds a Hygienic Certificate issued by the National Institute of Public Health. The document is available in the download section of the corporate website. At Buyer's individual request, the Seller may carry out additional certification. Depending on individual conditions, the mentioned certification may be subject to an additional fee, therefore the relevant request must be notified to the Seller before placing a purchase order and establishing commercial terms.
- 7.14. The Seller's liability under the warranty and for damages caused by a defective subject of an Agreement is in each case limited to the amount equivalent to the sales price of a defective subject of the Agreement, specified in the Agreement.
- 7.15. Beyond the scope of information presented in the documentation of the subject of an Agreement, the Seller is not liable for the suitability of the subject of the Agreement for the intended use by the Buyer. All information concerning the possibility of applying the subject of the Agreement, provided by the Seller's representatives, is of non-binding nature.
- 7.16. The Seller is not liable for insignificant deviations in the properties of the subject of the Agreement, in particular to the extent indicated in the information provided by the Seller on these products. The Seller stipulates that there may be slight differences in the appearance of the products (in particular colors), between individual production batches, samples, pictures of products, etc.
- 7.17. In no case does the Seller bear the costs of complaints related to the delivery or collection of the subject of the Agreement in or from any other place than the place of delivery specified in the Agreement.
- 7.18. Claims and rights resulting from non-compliance of the subject of the Agreement with the Agreement are vested in the Buyer within 12 months from the performance of the Agreement by the Seller, but not longer than 2 years from the date of production of the given subject of the Agreement.
- 7.19. The possibility of returning a non-defective subject of the Agreement, e.g. due to an erroneous order of the Buyer, depends on the Seller's decision. Due to the specificity of the products and limited shelf life, the Seller excludes the possibility of returning chemical products.

7.20. Any claims of the Buyer against the Seller, including claims under complaints or other allegations related to the performance of an Agreement, may not constitute a basis for refusing to pay for the subject of the Agreement.

8. OTHER PROVISIONS

- 8.1. Confidentiality: The Buyer is obliged to keep secret from third parties all data, communication, opinions and documents obtained from or concerning the Seller, obtained in connection with the conclusion or performance of the Agreement, in particular commercial conditions, technical and economic information of the Seller (confidential information). Confidential information may be used only for the purpose of the Agreement.
- 8.2. Personal data: to the extent necessary for the performance of the Agreement, the Seller is entitled to process and store personal data of the Buyer and made available by the Buyer within the framework of applicable provisions on the protection of personal data. Detailed information on the processing of personal data is available on the website of the Seller – www.schilsner.pl
- 8.3. Competent court: Any disputes arising from the Agreement will be settled by the Court having jurisdiction over the Seller's registered office.
- 8.4. Governing law: The contractual relationship between the Seller and the Buyer is governed in its entirety by Polish law (procedural and substantive).
- 8.5. Severability: If any of the provisions of these GSC or the provision of an Agreement is or turns out to be invalid, it does not affect the application of other provisions. In such a case, the invalid provision is replaced by a valid provision which will have the economic sense and purpose closest to the previous intention of the Parties resulting from the GSC or the Agreement.
- 8.6. In case of discrepancies in the translations of the GSC, the Polish version prevails.
- 8.7. Assignment: Assignment of the rights and obligations under the Agreement requires the consent of the Seller expressed in writing, otherwise being null and void.