

ALBIS PLASTIC CR s.r.o.
General Sales and Delivery Terms and Conditions

Status: January 2014

1. Validity

1.1 The below outlined conditions are part of all our contractual quotations and contracts. We do not accept Buyer's potential purchase terms and conditions even if they are not explicitly in contradiction with our General Terms and Conditions. Different agreements in any particular case require our written confirmation. INCOTERMS conditions in the latest version are valid as an amendment.

1.2 These conditions are valid in legal relationships between business entities.

2. Quotations

2.1 Our quotations are not binding. Buyer's quotations are binding for us after our written confirmation by email or fax or the delivery of goods.

2.2 Accepting the quotation with a reservation or with a change in conditions, even in an unimportant case, is impossible.

3. Calculation

3.1 Our prices are valid on the day of delivery plus applicable VAT are governing for a calculation of the purchase price. If our prices significantly increase (by at least more than 10%) between entering into the contract and the delivery, the Buyer is authorized to withdraw from the contract within seven (7) calendar days after notification about the price increase regarding the not yet-delivered goods.

3.2 The calculation of purchase prices is made based on quantity, weight or dimensions found at the place of dispatch.

4. Payment terms

4.1 The purchase price can be paid net at the cash register and it is payable upon delivery. When exceeding the term of payment, the Buyer is also delayed with payment without respect to receipt of the payment reminder. In this case we are authorized to apply the interest on late payment in the amount set by legal regulations. The exercise of further damage is reserved. Furthermore, the delay in payment causes the delay in payment of all our other payables against the Buyer.

4.2 In the case of reasonable doubts about the payment ability of the Buyer, especially in due balances, we are authorized to cancel payment goals and credits provided and require advance payment of other receivables or ask for provision of payment security.

4.3 The payment of the purchase price is effective when the amount is finally at disposal in one of our accounts.

4.4 Reciprocal set-off with other than undisputable or legally effective counterclaims as well as the implementation of the right of retention is excluded.

5. Delivery

5.1 Our duty to deliver is subject to proper and timely delivery of goods by our suppliers.

5.2 We are authorized to make partial deliveries. Deliveries lower by 10% or higher with respect to the contractually agreed quantity are allowed and they are not regarded as defective performance.

5.3 If the delivery term is agreed as "promptly (quickly)", then the delivery term is 14 calendar days.

5.4 In the case of delayed delivery, the Buyer must allow us an appropriate additional time of at least three (3) weeks.

5.5 The risk is transferred to the Buyer, as soon as the goods are handed over to the transportation company or upon pickup by the Buyer along with providing the goods. The same rules apply even when we pay the transportation costs.

5.6 Our goods are – unless specified otherwise – intended for processing in the Buyer's own company.

6. Obstacles in Delivery

6.1 War, strike, traffic interruption, lack of raw materials or energy, operation or traffic failures, matters related to force majeure and all other cases of force majeure which prevent the production or dispatch of goods, cause delay or uneconomical production or dispatch of goods, release us from the duty for the period of its duration and in the scope of failure from the obligation of delivery.

6.2 If the failure exceeds the period of two months, both parties are authorized to withdraw from the contract.

6.3 Upon partial or complete failure of our sources, we are not obliged to gain sources from other sub-suppliers. In such a case we are authorized to divide the quantity of goods which is at disposal with respect to our own business needs.

7. Designs / Technical Consultancy

7.1 Designs which we provided at disposal as well as our technical and chemical data are used only for the general description of goods. They do not contain any guarantee of quality or durability and do not release the Buyer from the duty of inspection of every individual supply immediately after its takeover.

7.2 We provide consultancy related to the technology of the use based on our best knowledge, it is not obligatory and does not release the Buyer from the responsibility to check every delivery before its processing from the point of view of suitability for the intended use.

8. Claim / Warranty

8.1 The Buyer is obliged to inspect the goods immediately after its takeover and check possible defects in goods, meaning quantity and quality deficiencies or defects. The Buyer must make a claim to the Seller immediately in writing, however, within three days from the delivery of the goods at the latest. This Buyer's duty is related to each partial delivery independently in the case of partial deliveries of the goods according to one purchase contract.

8.2 Hidden defects of goods must be claimed immediately after their finding, however, within twelve months after the delivery of the goods at the latest.

8.3 In the written claim, the Buyer is obliged to specify its business name (company), principal office, a person who is authorized to deal on behalf of the company, exact description of defective goods, including batch number, number and date of order or purchase contract, date of delivery of goods, exact description of claimed defect and claim which is specified in the claim form. Claims, where all aforementioned details, are not contained properly and correctly, will not have the effect of proper and timely exercise of defects on goods and will not lead to the warranty responsibility of the Seller.

8.4 The claim does not authorize the Buyer to retain payments for purchase price or refuse deliveries according to the valid purchase contracts.

8.5 Upon timely and reasonable claims, the Buyer firstly has the claim for alternative performance. In the case that the Seller is not able to provide alternative compensation, the Buyer has the right to an appropriate discount from the purchase price or withdrawal from the

purchase contract. Regarding the claim for damage compensation of the Buyer arisen from defective performance of the Seller, the provisions of Article 9 shall apply.

8.6 Warranty period is one (1) year from the delivery of goods, unless the manufacturer of the goods assumes a longer warranty period. The assumption for claiming the rights arising from the warranty is fulfilment of the conditions set by the manufacturer of the goods.

8.7 The Seller is responsible for legal defects in goods in the scope set by the law.

8.8 Regarding goods which were sold according to the agreement as goods marked: NT, second quality, remaining item, special item, regeneration, waste or similar, the Buyer is not authorized to claim any warranty regarding defects, which have their nature in such a qualitative classification.

8.9 In the case of an unjustified claim, the Seller has a claim against the Buyer for compensation of costs arisen with respect to the assessment of the legitimacy of the claimed defects in goods, especially costs incurred with respect to laboratory tests of goods, shipping of goods and personnel costs. The claim of the Seller for damage compensation is not affected.

9. Damage Compensation

9.1 Contractual and non-contractual claims for damage compensation of the Buyer arising from negligence of Seller's duties, Seller's managing employees or other entities cooperating upon performance of the purchase contract, are excluded. This does not apply, when the duty, which is important for the achievement of the purpose of the contract, was breached. Whereas the responsibility of the Seller is limited to contractually typical and predictable damage and is double of the invoicing value of the relevant goods.

9.2 The Seller is not responsible for consequent damages as well as unpredictable damages at the time of entering into the contract. Especially contractual penalties paid by the Buyer are considered as unpredictable damages.

9.3 The Buyer is responsible to the Seller for damages clearly caused by unauthorized application of defects of delivered goods (claims).

10. Exclusion of Ownership

10.1 The delivered commodity remains our property until complete settlement of all our trade receivables.

10.2 When processing the conditional commodity, we are regarded as a manufacturer and we gain the ownership of newly manufactured products. If the conditional commodity is processed, combined or mixed with goods which are in the ownership of third parties, then we gain the co-ownership on such manufactured products in the ratio of invoicing value of the conditional commodity compared to other materials. If the conditional commodity is processed, combined or mixed with a main thing which is in the ownership of the Buyer, then the Buyer assigns its ownership rights to a new product in our favour.

10.3 All receivables from the sales of goods which are in our ownership or co-ownership are assigned by the Buyer in our favour now to secure receivables in the scope of our ownership share. Any other assignment, also within the factoring trade, is impossible.

10.4 The Buyer is obliged to keep the conditional commodity properly and insure it against typical storage risks at its own costs. Already now we are assigned its claims from insurance contracts in our favour.

10.5 For the period, when the Buyer properly performs its obligations against our company, the Buyer is authorized to use our conditional commodity and is authorized to collect receivables from the resale of the conditional commodity. But the Buyer is not authorized to pledge the conditional commodity in favour of third parties or transfer it to satisfy the claims

of third parties. The authorization to resell does not apply, when the Buyer with its customer exclude assignment of the receivable from further sale. The Buyer must notify us immediately about the access of third parties to the conditional commodity or assigned receivables as soon as they learn about it.

10.6 When the Buyer is delayed with payment, we are authorized to require the release of the conditional commodity without setting additional time and without withdrawal from the contract. Furthermore, the Buyer has to provide all necessary information and basis about the conditional commodity or assigned receivables as well as the assignment of the receivable to its customers upon the first request.

10.7 If the value of guarantee securing our receivables by more than 20% is exceeded, we shall release additional limitation for handling with goods upon Buyer's request.

11. Final Provisions

11.1 The place of fulfilment for the payment of the purchase price is the principal office of the Seller.

11.2 The place of jurisdiction is given by the principal office of the Seller. The law of the Czech Republic applies. The use of application of the United Nations Commission on International Trade Law (UNCITRAL) is excluded.

11.3 We are authorized to retain and process data on Buyers, which we gained and we are authorized to use them for our business interests, especially for marketing activities.

11.4 If one of the aforementioned conditions is completely or partially ineffective, it does not affect the efficiency of other conditions.

11.5 Delivered pallets which are marked with the PRS logo are the property of the company www.palletreturnssystem.com, which is authorized for their collection.

11.6 The use of General Terms and Conditions of the Buyer, accepting the conditions of the purchase contract with exception or stipulation of the contract's content with a recapitulation letter is excluded. The Buyer accepts the General Terms and Condition of the Seller without objections. Valid for the year 2014.

In České Budějovice, date

Seller

Buyer