

CONDITIONS OF SALE, OF DELIVERIES AND OF GUARANTEE(S) OF “MEGAL” FOR COMPANY

“MEGAL”, hereinafter referred to as “the Seller”, sells and the Buyer buys the goods defined in the contract on the following conditions:

A. PRICE

The prices fixed in the contract are net prices (without the VAT). The VAT is added to the fixed prices in the amount being in force for the goods being bought on the day of the signing of the contract.

The Seller has the right to change the remuneration in case of the change of the rates of VAT as well as of other fiscal burdens.

1. If it is not provided otherwise in the Contract, the amount of the advance payment in relation to the value of the contract amounts to 49% (say forty-nine percent) for the ordered goods.

2. In case of the appearance of arrears in payment on account of the non-payment of the advance payment in the full amount by the Buyer, which exceed 30 (thirty) days, the Seller may withdraw from the contract.

B. PAYMENT AND DELIVERY

1. The place and date of delivery// pick up and acceptance of goods, as well as the forms and deadlines for the payment of the advance payment and of the final payment are fixed in the tenor of the contract.

2. The amount of the advance payment defined in the contract is a prerequisite for the realisation of the said contract. The Seller has the right to postpone the date of the delivery// pick up and acceptance by the same number of days by which there was a delay in the making of the advance payment.

3. The day of the making of the payment is deemed to be the day of the crediting of the amount due to the banking account of the Seller.

4. The Buyer commits itself to pick up and accept the purchased goods within the agreed time limit(s):

A) if the Buyer picks up the goods with its own transport means, the Buyer will notify the Seller of the date of picking up at least two days in advance and the Buyer will pick up the goods during the working hours of the warehouse of the Seller, after prior notification by the Seller of the execution of the subject matter of the contract. The warehouse is open on weekdays from 8.00 AM till 4.00 PM. b) in case of the purchase of the goods with delivery, the Seller will notify the Buyer as a minimum two days in advance of the date of delivery.

c) in case of the purchase of the goods with assembly, the Seller will notify the Buyer as a minimum two days in advance of the date of assembly.

5. In case of delay in the putting of the premises being indispensable for the assembly at the (Seller's) disposal as well as in case of a pause in its execution caused by the Buyer and in case it makes the completion of the assembly works impossible, the time limit might be subject to change.

6. In case of damage during transportation to the purchased goods as well as due to other reasons being independent from the Seller, the delivery date or the assembly date might be subject to change of which the Seller is obligated to notify the Buyer immediately.

7. In case of the picking up of the goods with the own transport means (of the Buyer) from the warehouse of the Seller, all the risks of damage to the goods or of loss of the goods shall pass to the Buyer as from the moment of the picking up and acceptance of the goods. The quantitative and qualitative acceptance of the goods takes place before the loading. The Buyer is obligated to pick up the purchased goods with the use of means of transport being adapted for the transportation of architectural glass and of window joinery.

8. In case of the purchase of goods with delivery all the risks of damage to the goods or of loss of the goods pass to the Buyer as from the moment of the beginning of the unloading and the Buyer commits itself to prepare the unloading in an appropriate manner from the technical point of view and to carry out the unloading and to secure a place for the storage of the delivered goods.

9. In case of purchase of the goods together with assembly, all the risks of damage to the goods or of loss of the goods pass to the Buyer as from the moment of completion of the assembly.

10. In case there is no possibility to unload due to reasons for which the Buyer is responsible, the Buyer will defray the costs of storage and of insurance in a lump sum amount of 0.33% of the contract value daily, plus the costs of the second transportation.

11. In case of delay of the pick-up/ delivery due to reasons for which the Buyer is responsible for a period longer than 30 days, the Seller has the right to accrue statutory interests on the amount of the remaining part of the payment as from the day, which follows the day on which the period of 30 days from the planned pick up/ delivery has lapsed until the day of payment.

12. In case of delay causing the postponement of the date of the pick-up/ delivery due to reasons for which the Seller is responsible for a period longer than 30 days, the Buyer has the right to claim only a stipulated penalty in the amount of statutory interests on the amount of paid advance payments, the Buyer made, which accrue as from the day, which follows the day on which the period of 30 days from the planned pick up/ delivery has lapsed until the day of real pick up/ delivery. In case of the delay of only a part of the delivery, the accruing of the stipulated penalty takes place proportionally to the amount of the advance payment.

13. The Seller reserves the right to realise the delivery by lots after a prior agreement between the Parties. In case the contract is realised by lots by the Seller, the Buyer is obligated to pay each time for the actually supplied goods while deducting proportionally the paid advance payment (from the amount due each time).

14. The transmission of the goods to the Buyer takes places always on the basis of the protocol of receipt and acceptance of goods. The signing of this protocol by both Parties without reservations shall mean that the goods were transmitted or their agreed lot was transmitted in the quantity being recorded in the protocol and that they do not have apparent defects.

15. In case of refusal to participate in the acceptance of works by the Buyer, the Seller may proceed to the acceptance unilaterally.

C. OWNERSHIP RESERVATION

1. The Seller reserves the right of ownership of all the goods included in the contract and delivered to the Buyer (both assembled and not assembled) until the moment of the payment of the entire amount due to the Seller, which results from the value of the contract and from possible additional costs of transportation or from default interests. In such a case the Seller reserves the right to retain the movable parts such as for example sashes until the payment of the amount due.

2. In case the Buyer is waiting for an order or as an intermediary the Buyer takes upon itself the total responsibility for the consequences of the exercising by the Seller of his rights, which are mentioned in point C1, of which the Buyer is obligated to notify the Ordered or the final Purchaser (the Investor).

D. COMPLAINTS ABOUT APPARENT DEFECTS AT THE MOMENT OF PICK UP AND ACCEPTANCE

1. The quantitative complaints as well as the ascertainment of apparent defects such as for example, mechanical damages, cracks and breaking of glass or deep scratching, should be recorded in the protocol of receipt and acceptance of goods under penalty of loss of any and all claims on this account.

2. Incidental defects, which after assembly have no impact on its utility value such as for example the scratching on the external parts of the casing, are not subject to complaint and they are not included in the guarantee.

E. GUARANTEE

1. The Seller grants a twelve month guarantee for the purchased goods, which starts to run as from the day of pick up and acceptance, of delivery or of assembly.

2. The rights on account of guarantee are connected with the ownership right and they arise at the moment of payment of all the payments connected with the purchased/ supplied goods.

3. The Seller guarantees the high quality of goods and their conformity with the appropriate standards and with tolerances being proper for the type of products.

The following standards are in force for glass: PN-EN ISO 12543-5; PN-EN ISO 12543-6; PN-EN 1279.

Specialised (window) panes may be marked in a permanent manner with the Manufacturer's mark which has a diameter of 30 mm.

4. The guarantee conserves its validity only in case the company “MEGAL” Sp. z o.o. carries out the annual survey and provides the maintenance of windows. The maintenance works are executed for a consideration.

5. The guarantee does not include:

a) Mechanical damages which occurred due to the fault of the Buyer or of third parties,

b) Damages, which result from a use, which is not compliant with the instructions for use and with the maintenance manual transmitted by the Seller to the Buyer c) damages, which result from incorrect assembly

d) damages, which result from normal tear and wear

6. Processed glass is not subject to complaint.

7. The reporting of hidden defects must be made in written form, immediately, i.e., within three days as from their ascertainment with univocal definition of the subject matter of complaint and of the type of defect.

8. In the framework of the guarantee the Seller has the right to select one of the following forms of the realisation of the guarantee commitments: a) repair of the product being the subject matter of complaint,

b) Exchange of the defective product,

c) Granting of a discount, which corresponds objectively to the ascertained defect and to the decrease in the utility value caused by this defect.

Any other possibilities of realising the guarantee than those listed above are excluded.

9. The Seller is obligated to give an answer to the notification of a complaint within 2 (two) weeks.

10. The fulfilment of the guarantee commitments should take place within the shortest possible period of time, unless due to other reasons (such for example as the weather conditions), the Parties have agreed another date/ time limit for the elimination of defects.

The date/ time limit of the provision of the service may change due to reasons beyond the control of the company “MEGAL” Sp. z o.o. of which fact the Buyer will be informed.

11. The Seller is not liable for possible damages, which occurred as a result of the exchange of the (window) panes, of the window and door joinery, which were made in accordance with the art of building, i.e., for the damages to the façade and to the finishing of the window openings (glaze, terracotta, wainscot, etc.), of windows and of doors.

12. The Seller is not liable for the damages to the power supply installation, to the gas supply installation, to the water supply installation, to the sewage elimination installation and to the alarm installation, etc. which were not revealed by the Buyer.

F. WITHDRAWAL FROM THE CONTRACT

1. In case of the non-execution or of undue execution of the present contract by either of the Parties hereto, such a Party shall pay a stipulated penalty on the following conditions

a) The Seller is obligated to pay the stipulated penalty in the amount of 5% of the value of the contract due to the withdrawal from the contract for reasons for which the Seller is liable.

b) The Buyer is obligated to pay the stipulated penalty in the amount of 5% of the value of the contract due to the withdrawal from the contract for reasons for which the Buyer is liable.

2. The Buyer is vested with the right to withdraw from the contract with respect to the totality or to a part of the subject matter of the contract within 3 (three) days as from the signing of the contract provided that the Buyer pays the amount to the Seller, which corresponds to the expenditures incurred by the Seller.

3. The Seller is vested with the right to withdraw from the contract with respect to the totality or to a part of the subject matter of the contract within 3 (three) days before the date of the pick-up, of the delivery or of the assembly provided that the Seller gives the advance payment paid by the Buyer back to the Buyer.

4. The withdrawal from the contract without mutual financial claims may take place any time only with the written consent of the Parties.

5. In case the Buyer or the Seller withdraws from the contract due to reasons for which the Buyer is liable, the Buyer is obligated to defray the costs of materials and of works having been executed on account of the execution of the contract.

The materials used for the realisation of the contract, will be transmitted to the Buyer within a time limit of 14 (fourteen) days as from the day of the payment for such materials (decreased by the advance payments made) and for the works executed on account of the contract.

G. SETTLEMENT OF DISPUTES

Possible disputes resulting from the present contract shall be settled by the common court of law having jurisdiction over the registered office of the Seller.

H. OTHER PROVISIONS

1. The Seller reserves the right to introduce technical changes into the ordered products, which are caused by technical and technological progress and which do not lower at least their utility values. The obvious mistakes in the order (for example arithmetic errors) authorise the Seller to correct the value of the contract and the Buyer must be notified of it in writing. The Buyer must express its consent to such a change or the Buyer may renounce to the contract. The date of pick up/ delivery is subject to postponement by the number of days, which will lapse as from the date of the written notification until the day on which one receives an answer.

2. Possible appendixes constitute an integral part of the present Contract.

3. In case of disassembly of windows in totality, the price of assembly is increased by 100%.

4. All the changes of the above conditions shall require the written form under penalty of nullity in order to be accepted by the Buyer and by the Management Board of the Seller.

5. The relevant provisions of the Civil Code shall apply to the matters, which are not stipulated in the above provisions.

6. This Contract has been drawn up in two (2) copies with identical tenor, one copy for each Party hereto.