

ARTICLE 1 - APPLICATION AND ENFORCEABILITY

These General Conditions of Sale are systematically submitted to all clients by PASTA FOOD COMPANY SP. Z O.O. with its seat in Opole (KRS 0000403908) hereinafter referred to as "PFC" as the seller, to enable them to place an order. The placing of an order implies the direct and unconditional acceptance of these general conditions of sale.

Unless formally agreed in writing by the seller, no special provisions, such as general purchasing conditions, shall take precedence over these general conditions of sale.

Any conflicting condition invoked by the client will therefore, unless expressly accepted, be non-invocable with respect to the seller.

The failure by PFC to apply any one of these provisions at a given time cannot be considered as a reason for it to renounce the right to apply it at a later date.

ARTICLE 2 – THE ORDER

Orders are to be submitted to PFC in any written format (letter, fax, EDI...) or by phone.

Acceptance of the order is formalised by the physical dispatch of the products.

In all cases, acceptance by PFC will only be considered if the appropriate stocks are held.

Thus if an order concerns a particularly large quantity in relation to the said stocks, or in relation to normal monthly orders placed, PFC reserves the right, especially during a promotional period, to amend the conditions for execution, and especially those relating to delivery time.

Any order must concern a minimum quantity as shown in the price list of PFC that is supplied regularly to clients.

Any change to or cancellation of an order at the request of the client can only be accepted if submitted in writing and giving notice of at least 2 working days prior to despatch of the products.

ARTICLE 3 – DELIVERY**3.1 Subject of the delivery**

The subject of the delivery corresponds to the products ordered by the client. However, PFC reserves the right at any time to make those changes that it considers appropriate to its products and/or packaging with no obligation to modify any products and/or packaging already delivered or currently on order.

3.2 Delivery methods

Unless otherwise agreed in writing, delivery is undertaken by handing over to a carrier at the warehouses of PFC. A delivery note will always be raised by PFC and handed by the carrier to the client.

3.3 Delivery timescale

Deliveries are subject to stock availability and PFC has the right to make partial deliveries.

Delivery timescales will be stated in the contract as accurately as possible but always remain subject to the supply and transport capabilities of PFC.

In any event, delivery within the timescale can only occur if the client is up to date in respect of all its obligations towards PFC.

3.4 Failure to meet delivery deadlines

PFC will inform its client of any delay likely to affect an agreed delivery as soon as it is aware of it. Any delay in delivery about which PFC does not inform its client prior to the originally agreed delivery date gives rise to the application of penalties for delay that cannot exceed 1% of the net pre-tax value for delayed products for each working day's delay after expiry of two working days following the originally agreed delivery date. This penalty cannot exceed 10% of the net pre-tax value of the delayed goods. In respect of promotional products, these penalties cannot exceed 2% of the net pre-tax value for delayed products for each working day's delay after expiry of two working days following the originally agreed delivery date. This penalty cannot exceed 20% of the net pre-tax value of the delayed goods.

These penalties are not due if the order contained an incorrect or incomplete product code, or if the client ultimately cancelled his order.

If one month after the date initially planned for the delivery, the product has not been delivered for any cause other than force majeure, the sale may then be cancelled at the request of either party; the client may obtain a full refund to the exclusion of any other compensation or damages.

3.5 Force majeure

If a case of force majeure arises, PFC is released from any obligation to its client in respect of any deliveries.

A case of force majeure is defined as any event that is beyond the control of PFC including, but not exclusively: war, riot, fire, general or partial strikes affecting its services or those of its carriers or sub-contractors, accidents, unavoidable inability to obtain provisions and more generally any event likely to hinder the normal process of product manufacture or distribution. PFC will as far as possible inform the client as soon as possible of any of the cases or events listed above.

ARTICLE 4 – ACCEPTANCE

Without prejudice to the arrangements to be made in respect of the carrier, all claims regarding any apparent irregularity or non-compliance of the delivered product to the description on the order form or the consignment note must be stated by the client in writing on the consignment note at the time of delivery. Such reservations must be well-founded and specific. The client may also send a registered letter within 3 days after delivery.

In the case of hidden damage, the client must send a registered letter within 3 days following the discovery of the damage.

It is the responsibility of the client to provide all data in support of his claims.

The client undertakes to enable PFC to identify these irregularities without delay and to take appropriate remedial action. He will refrain from taking any action himself and from engaging a third party to this end.

For products sold packaged, the weights and measurements recorded on despatch will be accepted as proof of quantities delivered.

Once the 3 days defined above have passed, no claims will be considered.

ARTICLE 5 – RETURNS

No product can be returned without the express agreement of PFC and will be by means of a carrier of its choice.

Any return accepted by PFC will result in the issuing of a credit note to the client, without prejudice to any claims that might arise.

At the request of the client, PFC may also undertake a new delivery of merchandise, which will give rise to normal invoicing action.

If this procedure is not respected by the client, and especially if prior agreement from PFC is not obtained, the returned product will remain at the client's disposal and risk and will not give rise to the issue of a credit note, nor to any reimbursement of any instalment payments that may have been made by the client.

ARTICLE 6 – PRICE LISTS

Products will be supplied at the price applicable on the day of delivery.

The price lists supplied to the clients can be modified without prior warning by PFC.

Any new price list is to be communicated to the client by mail.

Prices will be quoted in PLN, net, pre-tax, carriage and packing included, unless otherwise agreed in writing, within the EU.

The client is responsible for all taxes, duties, or other payments to be made under the rules and regulations of Poland or of an importing or transit country.

Any discounts, rebates or refunds applied by PFC are to be those of which the client has already been informed.

ARTICLE 7 – INVOICING

An invoice in respect of merchandise ordered and delivered will be issued for each delivery carried out by PFC and will be sent by mail.

This invoice will include PFC price, any discounts, the net price owed, the tax (VAT) amount, the total (brut) amount, the date by which the payment is to be made, the settlement arrangements and any interests incurred if payment is delayed, starting from the settlement date stated on the invoice.

ARTICLE 8 – PAYMENT**8.1 Payment terms and conditions**

Invoices are to be settled at the registered office of the company PFC unless otherwise agreed within 30 calendar days following the date of delivery.

Unless otherwise agreed in writing, settlement is to be made by bank transfer no later than the due date for payment.

Any deductions and/or indemnification that can be applied by the client to the total invoices submitted by PFC, for whatever reason, can only be deducted upon agreement in writing by both parties.

Any partial payment by the client will initially be set against any non-preferential element of the debt, then against the oldest of the liabilities.

8.2 Payment delay or default

If payment is delayed, PFC may suspend any current order, without prejudice against any other course of action.

Any invoice that remains unpaid on its due date incurs late payment interests, at the Polish statutory interest rate, and applicable from the due date as shown on the invoice, until full payment is made, without the need for any notification from PFC.

PFC will be justified in offsetting the total amount of these late payment interests against any sum that it might owe to the client, such as price reductions.

In the case of payment default, 48 hours after a lack of response to a payment notice, the sale can be cancelled unilaterally by PFC.

Such cancellation may also affect any earlier unpaid orders, whether they have been delivered or are in course of being delivered and whether their payment is due or not.

In all the above situations, sums due in respect of other deliveries, or for any other reason, will immediately become due if PFC does not opt for the cancellation of the corresponding orders. The client will be required to reimburse all costs incurred in any disputed recovery of sums due.

8.3. Deterioration of client's credit standing

Any deterioration in the credit standing of the client could justify the demand for guarantees or a cash payment or bill payable at call prior to execution of the orders received.

This would apply in particular following changes in the capacity of the client, in the person of the management or in the form of the company, or if an asset disposal, rental agreement, collateral arrangement or contribution from its commercial funds has an unfavourable impact on the client's credit standing.

ARTICLE 9 – TRANSFER OF RISKS

Risk transfer in respect of the product, even in the case of carriage paid sale, takes place on acceptance into the client's warehouses.

In the case of a sale ex-factory, risk transfer occurs on removal of the goods from the warehouses of PFC.

ARTICLE 10 – OWNERSHIP RESERVATION

Ownership transfer for merchandise only occurs after full payment of the price, both principal and ancillary. By accepting delivery of the merchandise, the client explicitly agrees hereto.

If the full price is not paid by the due date, PFC can take action in respect of the sale, by requiring full payment of the price or it may cancel the sale under the conditions defined in Article 9 above.

In this situation, PFC can re-possess the merchandise already delivered to its client, at the latter's cost, and following an initial written request.

PFC reserves the right to take or order the taking of an inventory of those of its products remaining in the possession of the client; the latter is to agree to this without reservation, and is to undertake to enable unrestricted access to its warehouses, stores or any other site where the relevant merchandise may be stored.

This right may be exercised by PFC in respect of any of its claims and over all its products then in the possession of its client.

Nothing in this clause shall prevent the transfer to the client, on delivery of the merchandise, of liability for any risk of loss or deterioration of the goods subject to ownership reservation, and the client should take out the appropriate insurance.

In the case of an attachment order or of any other intervention by a third party in respect of the merchandise, the client undertakes to inform PFC without delay so that the latter may oppose this and defend its rights.

The client undertakes not to assign the ownership of the merchandise as security or to transfer title as guarantee.

ARTICLE 11 – INTELLECTUAL PROPERTY

PFC prohibits any client from using its trademarks, logos, documents or other devices without its express prior permission.

ARTICLE 12 – PACKAGING

Products of PFC are delivered in European standard pallets, unless otherwise agreed in writing.

These pallets, that remain the property of PFC, must always be returned to the carrier at the time of the next delivery in their entirety and in good condition.

Packaging carrying the trademark of the seller can only be used for its own products and under no circumstances is to be used for products other than its own. Any contravention of this rule would expose those responsible to legal action and the payment of damages.

ARTICLE 13 – GOVERNING LAW - COMPETENCE - DISPUTES

The agreement is governed by Polish law. In the case of litigation of any kind or disputes concerning the establishment and execution of the order, the sole competent authority is the competent court in Wroclaw (Poland), unless PFC prefers to submit the case to another competent jurisdiction.