

GENERAL TERMS AND CONDITIONS OF SALE (GTCS)

1. Generalities

- 1.1. The General Terms and Conditions of Sale, as defined below, apply to the sale of all Products in the portfolio of TERAPLAST S.A. By signing the Special Terms and Conditions of Sale (also called Sales Agreement or Contract), the Buyer confirms that it is familiar with the General Terms and Conditions of Sale and accepts them completely.
- 1.2. General Terms and Conditions of Sale, along with the Special Terms and Conditions of Sale and the order confirmation form the entire agreement between the Seller and the Buyer. The present Terms and Conditions shall prevail over all and any prior condition of sale, other understandings being considered valid only if undertaken in writing by the Seller.
- 1.3. The Seller uses a contracting system based on firm orders, sent by the Buyer via e-mail or directly on paper support, by handing them to Seller's representative, subject the Seller's right to accept the orders. As long as Buyer's orders are accepted by the Seller a delivery will follow. Once confirmed by the Seller, the Buyer cannot deny the price/amount/sort of the ordered Product.
- 1.4. Delivery and payment of ordered Products shall be in accordance with the terms and conditions established/negotiated by the Parties, which are provided in the Special Terms and Conditions of Sale.
- 1.5. In accordance with art. 1684 of the Civil Code, the Seller reserves the ownership of the Products until the price has been fully paid, even if the Products were delivered to the Buyer. The Seller is entitled to ask the Buyer to return at once the Products over which the ownership reserve is still constituted in favour of the Seller, in all cases where the Buyer violates its contractual obligations concerning the payment of Products.
- 1.6. In case the Buyer asks special Product deliveries to the Seller, such deliveries shall be made under the terms established/negotiated by the Parties, which are provided in the Special Terms and Conditions of Sale. For the purpose of these GTCS are considered special Products such Products that are of non-standard colour, type, size and diameters, new non-standard Products, products of type C whose classification is found in the Lists of Products.

2. Prices

- 2.1. The price of the Products shall be agreed upon by negotiation.
- 2.2. The prices are valid under the Incoterms 2020 delivery conditions, provided within the Special Terms and Conditions of Sale. The prices are VAT exclusive.
- 2.3. The parties agree to carry out their contractual relationships as follows: the Buyer shall be able to order exclusively within the limits of the credit granted by the Seller, excepting the situations where full payment is made in advance. The credit limit granted by the Seller to the Buyer is the maximum limit, visible as money, acknowledged by the Seller to the Buyer, up to which the latter can order the Products from the Seller. The credit limit can be conditioned by the Buyer creating guarantees, namely: remittance of a payment instrument, issued as guarantee, and/or by a real estate collateral/security agreement, or a letter of bank guarantee, respectively. The guarantee shall be of an amount at least equal to the value of the Products to be purchased by the Buyer. The Products shall be delivered only after such guarantees are validated. In punctual cases, on Buyer's express request in writing, the Seller will assess the possibility to up the Credit limit, but only based on financial information requested by the Seller, which the Buyer undertakes to provide from time to time. Both in case of exceeding the payment deadlined mentioned on invoices, and in case the Credit limit is exceeded, the Seller is entitled to cease the delivery of any firm orders from the Buyer, until the payment by the Buyer of all outstanding invoices or any other invoices that, although not overdue, could jointly result in the maximum credit limit amount being exceeded, in case new firm orders are accepted.
- 2.4. The prices of the Products subject to the Special Terms and Conditions of Sale have been directly negotiated by the Parties, without the Seller imposing the Buyer any restriction on the policy of their resale prices, on Buyer's mark-ups or any other sort of restriction that could be considered anti-competitive practice.
- 2.5. By signing the Special Terms and Conditions of Sale, the Buyer acknowledges that no restrictions were imposed by the Seller concerning the final customer of the purchased Products and no additional services were imposed on it that, by their nature and according to business practices, are in any way not related to the object of the

Special Terms and Conditions of Sale. Moreover, the Buyer confirms that it is not in a state of dependency towards the Seller that could determine it to accept contractual provisions contrary to its interest, and the Buyer is independent in establishing its business policy (is free to set its resale prices).

- 2.6. As far as, following ratification or amendment of any law, standard, regulation or administrative procedure, of any governmental authority or any regulatory body, including (but without affecting the general nature of the above) any increase of tax amounts or any tax imposition or withdrawal of tax exemption that was not provided (or considered) at the time of order confirmation, the Seller reserves the right to change the contract price at any time, even after the order confirmation, in the sense of including such raise in the final price of the Products. Price changes shall be notified at once to Buyer in writing, preferably by e-mail, and the order completion is conditional on the Buyer's approving the new prices. As long as the Buyer does not confirm in writing the new prices within three days from the date of notice, the order shall be cancelled.
- 2.7. In case of price increase of the raw material used in the manufacturing of the ordered Products by more than 2%, the Seller reserves the right to raise the contract price at any time, even after the order is confirmed, so as to include the increased price of the raw material in the final price of the Product. The price change of the Products shall be notified at once to the Buyer in writing, preferably by e-mail, and the order completion is conditional on the Buyer's approving the new prices. As long as the Buyer does not confirm in writing the new prices within 3 days from the date of notice, the order shall be cancelled. The absence on the market of the raw material used in the manufacturing of the Products is an unforeseeable circumstance exempting the Seller of any liability.

3. Payment terms

- 3.1. The price of the Products shall be paid under the terms agreed within the Special Terms and Conditions of Sale, with payment instruments and/or payment order and/or partly by compensation.
- 3.2. If the Parties agree that the payment shall be by payment instruments, the Buyer shall deliver not later than 30 calendar days after the date of the invoice, to the Seller's representative, for each delivery, the payment instruments accurately completed, including the deadline and the place of payment, signed by the legal representative. Refusal to deliver the payment instruments within the term agreed above shall entitle the Seller to deny further orders and/or stop the ongoing deliveries, any liability towards the Buyer being excluded. The place of payment shall be Bistrița, Romania, as agreed by the parties.
- 3.3. In case a blank cheque and/or a blank promissory note is handed, the Buyer shall authorise the Seller's representative who has accepted the cheque or the promissory note by a report, to fill in the cheque or the P/N with the amount corresponding to each delivery and/or existing debit and with the deadline for filing the payment instrument to the Bank, provided notification in writing, by fax or e-mail is given to the Buyer on the date of filing the payment instrument to the Bank. The Buyer shall, upon the stipulated payment date agreed to provide its bank account for the amount required to cover each cheque or P/N issued. In accordance with articles 67-71 of the NBR Norm No. 7/1994 on cheque trading by credit institutions, the Buyer declares to understand and agree that the recipient of the blank cheque, and any of the successive holders of the cheque may complete such instrument as required by art. 1 of the Law No. 59/1934 on cheques, without Buyer's intervention being necessary. The right to fill in shall pass from one holder to another upon delivery of the cheque. Moreover, the Buyer acknowledges the unlimited right of the blank cheque holder on completing it, understanding and accepting that *"the holder will complete the cheque before paying"*.
- 3.4. In case the payment is made by promissory note on due date, the Parties can agree on securing the payment by the Buyer of the price of the Products by a payment instrument issued as guarantee, and/or by a real estate collateral/security agreement, or a bank guarantee letter, ancillary to the Special Terms and Conditions of Sale. The guarantee amount shall be at least equal to the price of the Products to be purchased by the Buyer. The Products shall be delivered only after such guarantees are validated.
- 3.5. In case of delivery, as guarantee, of a payment instrument (in blank), the Buyer shall authorise the Seller's representative, by means of a bill of exchange agreement, that on the agreed payment date to fill in all the blank spaces on the payment instrument, in order to file it to the bank for compensation. In accordance with articles 67-71 of the NBR Norm No. 7/1994 on cheque trading by credit institutions, the Buyer declares to understand and accept that the recipient of the blank cheque, and any of the successive holders of the cheque

may complete such instrument as required by art. 1 of the Law No. 59/1934 on cheques, without Buyer's intervention being necessary. The right to fill in shall pass from one holder to another upon delivery of the cheque. Moreover, the Buyer acknowledges in such case the unlimited right of the blank cheque holder on completing it, understanding and accepting that *"the holder will complete the cheque before paying"*. The Seller shall notify in writing, by fax or e-mail, the Buyer, three days before, on the date of filing the payment instrument to the bank. Moreover, the Buyer undertakes, on the payment date agreed by negotiation, provided in the Special Terms and Conditions of Sale, to provide in its bank account the amounts required to cover each payment instrument issued.

- 3.6. If the Parties have agreed, within the Special Terms and Conditions of Sale, that the price of the Products can be paid by compensation, and the Buyer is the one who initiates the payment of the delivered Products by compensation, the Buyer shall be liable for any uncontested debts between the partners of the circuit, as well as for completing the compensation circuit, and in case of non-completion or cancellation of the circuit it shall remain liable towards the Seller for the amount subject to compensation.

4. Payment deadlines

- 4.1. The payment deadline shall be calculated from the date the invoice is issued by the Seller and is that provided in the Special Terms and Conditions of Sale.
- 4.2. The payment obligation shall be deemed fulfilled if the entire amount due has entered the Seller's accounts not later than the date the payment is due.

5. Packaging and marking

- 5.1. The Products shall be delivered according to the Parties' agreement provided within the Special Terms and Conditions of Sale (packed/unpacked, on pallets/in containers etc., accordingly).
- 5.2. Package waste management shall be, according to the Parties' agreement and the applicable laws, the Buyer's liability.

6. Shipping and transport

- 6.1. The transport shall be the Seller's liability, who will assume the risk of the quantity and quality integrity of the Products until the Products are taken over by the representative of the transport or courier company.
- 6.2. The risk for the quantity and quality integrity of the Products during loading and transport shall be the Seller's responsibility, the Seller not being liable for any depreciation or incident occurred upon loading or during transport.
- 6.3. The Products shall be delivered to the representative of the Buyer/carrier accompanied by the delivery documents — bill of delivery and so on]. When collecting the Products, the representative of the Buyer/carrier shall present the authorisation letter to collect the Products, signed and stamped by the Buyer. The Buyer shall appoint a representative to take over the Products and sign the delivery documents [(tax) invoice, bill of lading and so on] for acceptance.
- 6.4. The Buyer has an obligation to accept from the carrier the Products ordered to the Seller. In case of non-compliance, supporting documents shall be drawn up in accordance with the provisions of Chapter 7 – *Receipt of Products. Quality*. In case the means of transport is returned not unloaded, the Buyer shall bear the costs of transport, and shall pay to the Seller damage compensation in a rate of 0.5% of the value of the Products ordered by the Buyer and rejected, the Parties having established beforehand the compensation payment for the prejudice caused to the Seller in such case.
- 6.5. The transport documents shall have as attachments: delivery document, the receipt document/receipt or self-receipt report; document attesting the quality. Other documents to be sent with the delivered Products can be also agreed by the Parties within the Special Terms and Conditions of Sale.
- 6.6. The Parties can establish a different delivery method within the Special Terms and Conditions of Sale, according to Incoterms 2020.

7. Receipt of Products. Quality

- 7.1.** Delivery of Products shall be acknowledged on the basis of a quantity and quality receipt, conducted at the location mentioned in the order/order confirmation. If the Seller cannot be present, the report shall be signed by the carrier.
- 7.2.** The Products received by the Seller in the presence of the representative of the carrier/Buyer may not be subject to a subsequent quantity complaint.
- 7.3.** Unless otherwise agreed by the Parties, complaints concerning apparent quality defects of the Products can be submitted within 2 calendar days from Products receipt at the place indicated by the Buyer and shall be accepted only if such non-compliances are exclusively the Seller's fault.
- 7.4.** The quantity/quality complaints shall be mentioned in a receipt report, signed by the Parties' representatives, sent by email.
- 7.5.** Where apparent defects are notified within the deadline provided at art. 7.3., a report/complaint note shall be made and sent to the Seller within two calendar days from the Products receipt, by any written communication means allowing acknowledgment of receipt. Any complaint arriving after the expiry of such delay shall not be considered and shall exempt the Seller of any liability whatsoever.
- 7.6.** The complaint report/complaint note must include, under penalty of nullity, the following: identification number and date in the Special Terms and Conditions of Sale of the Parties (also called Sales Agreement or Contract), the name of the Product(s) subject to the complaint, series and number of the invoice/bill of delivery note, the packaging condition, photos, video recordings proving the non-compliance, the object of the complaint, signature and stamp of the representatives of both Parties or the carrier or, as the case may be, the Buyer's signature in case of quality notes of complaint drawn up according to art. 7.5., the place and date of the report.
- 7.7.** The Seller shall, within 3 business days after receiving the complaint, give a final resolution about it. In case the complaint is found to be grounded, the Seller shall, within 15 business days from the date of resolution stating the soundness of the complaint, replace at its cost the non-compliant Products and/or complete the deficiencies. Until the date of replacement, such Products shall be stored by the Buyer in appropriate conditions. The Buyer can return the Products only upon Seller's approval. Complaints do not excuse the Buyer from its obligation to pay on time the price of the Products that were not subject to complaint or to observe the remainder of the contractual obligations. Complaints submitted verbally or by phone shall not be considered.
- 7.8.** The Seller guarantees the Buyer against total or partial eviction, as well as against any hidden defects of the supplied Products, in accordance with the relevant legal provisions. The quality of the Products shall be attested by a declaration of conformity and a certificate of guarantee. The Seller does not assume responsibility for improper use of the Products, for non-compliance with the user instructions thereof and does not offer any guarantee in case of modification or intervention to the Products, defects occurred following use, assembly, manipulation, maintenance that is inappropriate or non-compliant with the Seller's instructions, the Products intended use or the rules of trade, defects caused by inappropriate conditions of storage or transport, defects occurred following negligent operation and supervision of the Products, force majeure events. Any claim for compensation shall be limited to the value of the purchased Products.
- 8. Confidentiality**
- 8.1.** The Buyer shall consider all information received from the Seller or third parties appointed by the Seller in relation to the order as strictly confidential and shall use them only to meet its contractual obligations. The Buyer undertakes to maintain confidentiality on collaboration conditions, data on the discounts granted, the turnover jointly achieved and any other information learned by the Buyer as a result of carrying out the provisions of the Special Terms and Conditions of Sale agreed with the Seller, even after the legal effects thereof cease or in care the contractual relationships are interrupted in any other way.
- 8.2.** The Buyer shall be liable for any violation of the confidentiality obligation by its personnel.
- 8.3.** Technology and know-how, under licence or not, incorporated in the Products, as well as all industrial and intellectual rights concerning the Products, shall remain the exclusive property of the Manufacturer.

- 8.4. In processing the personal data according to the Contract, the Parties undertake to observe all the obligations applicable thereto as data controllers in accordance with the personal data protection legislation, including but not limited to the GDPR provisions.
- 8.5. Either Party shall be entitled to process the personal data of the Contact Persons of the other Party for the purposes of conclusion and performance of the Contract, as well as for the purposes of its commercial transmission.
- 8.6. Each Party shall ensure the appropriate information of the Contact Persons in terms of disclosure by the other Party of the personal data and their processing for the purposes of the conclusion and performance of the Contract.
- 8.7. Each Party shall be responsible for implementing the appropriate technical and organisational measures to ensure the security and confidentiality of the data subjects' personal data being processed under the Contract.
- 8.8. Each Party shall comply with the obligations incumbent to it and, at the same time, shall inform the other Party without unreasonable delay on any such violation of the personal data.
In case the Parties are obligated according to the GDPR or consider it necessary, each Party shall appoint a personal data operator and shall transmit to the other Party the contact details of such operator for aspects relating to personal data protection
- 8.9. For the purposes of achieving its business interest the Company TERAPLAST SA as data controller sends and receives personal data of the contact persons within partner companies.
Personal data movement shall be only for the purposes of completing this contract, therefore they shall be neither processed nor transferred to third parties unless required in order to meet the legal obligations of the company.

Data included in this order form fall within the scope of Regulation (EU) 679/2016, and shall be preserved for 10 years according to Law 82/1991 in compliance with Regulation (EU) 679/2016 and the Law of the National Archives.

Personal data that may be collected under this contract are:

- Name and surname
- Telephone
- Email address
- Position
- in order to benefit from any of the above rights, or for any request or inquiry on the processing of their personal data, the data subject can go to: gdp@teraplast.ro
- the data subject can also get information at ANPSDCP <https://www.dataprotection.ro/> or make inquiries to: anspdc@dataprotection.ro

9. Contractual liability

- 9.1. Past the payment deadline agreed within the Special Terms and Conditions of Sale, the Buyer shall be in default as of right about its payment obligation, no notice being required, in accordance with provisions of art. 1523 Civil Code.
- 9.2. For failing to observe the payment deadline provided in the Special Terms and Conditions of Sale, the Buyer shall pay to the Seller penalties of 0.15% for each day of delay, calculated on the amount representing the sum of the due and unpaid invoices. In case of failing to observe the payment deadlines, the Seller reserves the right to condition any further delivery to the payment of the outstanding sums, as well as to the payment at once of the current invoice. The total rate of late payment penalties can be higher than the sum they apply to. For being late in collecting or processing the ordered Products, the Seller shall charge a rate of penalties of 0.15% for each day of delay, calculated on the amount representing the value of the Products ordered and not collected.
- 9.3. Refusal to receive the ordered Products out of reasons that are not imputable to the Seller or payment delays longer than 15 days shall confer the Seller the right to unilaterally terminate the Special Terms and Conditions of Sale, by notice of termination which becomes irrevocable upon its receipt by the Buyer, in accordance with

the provisions of art. 1552 Civil Code. In such case the Buyer shall have to pay compensatory damages in a rate of 10% of the value of the Products ordered and unjustifiably rejected, which damages shall be due within 3 days as of the date of termination notice receipt. The obligation to pay delay penalties shall be borne on the day immediately following the day the obligation should have been met, according to the term established within the Special Terms and Conditions of Sale. Penalties shall be subject to a separate invoice.

- 9.4. For late delivery of Products, the Seller shall owe the Buyer penalties of 0.15% for each of late delivery, calculated on the amount representing the price of the Products not delivered within the agreed deadline. The total rate of late delivery penalties can be higher than the sum they apply to. Failure to comply with the delivery date of the Products from the exclusive fault of the Seller shall entitle the Buyer to ask termination as of right of the Special Terms and Conditions of Sale. Deliveries rescheduled by consent of the Parties shall be deemed as delivered on time.
- 9.5. In addition, the Buyer shall have to check and confirm on a monthly basis the account balance in its relationship with the Seller.

10. Notices and complaints

- 10.1. Any notice and/or complaint addressed to the Seller shall be validly fulfilled if sent to the Seller's e-mail mentioned below. In case the notice/complaint is done by electronic mail (e-mail), it shall be deemed received by the recipient on the date mentioned on the explicit reply of the recipient and/or the acknowledgment of receipt of e-mail. Verbal notices/complaints, including telephonic ones, have as most the value of «pre-accept» and shall not be considered by either Party, unless confirmed by one of the methods provided above. Telephone numbers and mailing addresses of the Seller are:

The Company TERAPLAST S.A. — registered office: sat Sărățel, DN 15A, Km 45+500, com. Șieu-Măgheruș, jud. Bistrița-Năsăud, Romania; tel./fax: 0374/461.529, 0263/231.221; e-mail: reclamatii@teraplast.ro, for quantity and quality complaints; e-mail: vanzari@teraplast.ro, for commercial details; comenzi@teraplast.ro, for orders.

11. Waiver

- 11.1. The fact that the Seller does not insist on the exact and accurate fulfilment of the obligations deriving from the General Terms and Conditions and the Special Terms and Conditions of Sale or fails to exercise any of its options thereunder shall not mean that the Seller relinquishes its rights. Any omission, as well as any delay of the Seller to exercise any rights or benefit from any remedies on the basis of the GTCS and the STCS shall not represent a waiver thereof, and partial or one-time exercise of any right or remedy shall not prevent any subsequent exercise of such right or remedy or any other right or remedy. The rights and remedies provided to the benefit of the Seller are cumulative and do not exclude any rights and remedies provided by law or other contractual agreements.

12. Transfer

- 12.1. The Buyer may not transfer its rights and obligations under the General Terms and Conditions and the Special Terms and Conditions of Sale to any third party, unless the Seller's prior written consent is given.

13. Severability

- 13.1. In case any provision within the GTCS and the STCS is or becomes at a given point illegal, invalid or unenforceable according to the applicable law or is deemed unwritten according to the law, the legality, validity or enforceability of such provision within the limits admitted by law, as well as other provisions within the GTCS and the STCS shall not be affected or prejudiced by them, the Buyer undertakes to make every effort necessary to perform such act(s) and/or amendment(s) that may lead to the same legal and/or economic result that was considered upon entering into the legal relationship between the Parties.

14. Disputes

- 14.1.** Any dispute resulting from or related to the General Terms and Conditions and the Special Terms and Conditions of Sale, including those concerning the conclusion, validity, interpretation or termination thereof, shall be settled by the court having jurisdiction over the Seller's registered office.
- 15. Final provisions**
- 15.1.** The legal relationship concluded between the Parties shall end by termination as of right, without the intervention of any court of law, in case: (i) insolvency proceedings towards the Buyer are started; (ii) the Buyer transfers its rights and obligations under the General Terms and Conditions and the Special Terms and Conditions of Sale entered into with the Seller without Seller's consent.
- 15.2.** Any amendment to the General Terms and Conditions and/or the Special Terms and Conditions of Sale may only be made with the Seller's consent.
- 15.3.** The Seller shall not be liable for any damage or prejudice resulting from failure to fulfil or late fulfilment of the obligations deriving from the legal relationship based upon the GTCS and the STCS, in case such failure to fulfil or late fulfilment is the result of unpredictable and insuperable events, including natural disasters, flood, fire, explosion, war or civil unrest. The deadline for the fulfilment of the obligation surprised by the force majeure event shall extend for a period of time equal to that of the unpredictable and insuperable event. If the Buyer understands to benefit from the force majeure event, the Buyer must notify to the Seller, within maximum 5 calendar days, the occurrence of the force majeure, mentioning specifically and fully the claimed unpredictable and insuperable event, and to support such claims within maximum 5 days by written document, issued by the Chamber of Commerce and Industry at its registered office.
- 15.4.** The Buyer shall notify the Seller of any change occurring within the Buyer's Memorandum of Association, i.e.: change of name, change of headquarters, change of share capital, change of significant shareholders/partners, change of administrator/authorised person, as well as any other data of relevance in the development of contractual relationships between the Parties (e.g. change of bank accounts, transfer of goodwill etc.), not later than 10 calendar days from their occurrence, by written notice accompanied by supporting evidence.
- 15.5.** The Parties expressly agree that any action to the Seller, having as an object the recovery of any monies due by the Buyer in pursuance of the legal relationship based on the General Terms and Conditions and/or the Special Terms and Conditions of Sale shall be written off after 10 years.
- 15.6.** The present General Terms and Condition of Sale can only be subject to amendments on initiative of the Seller and/or by Parties' consent, by entering into an Addendum to the Contract, duly signed by both Parties.
- 15.7.** The present GTCS shall be completed with the applicable provisions of the Civil Code.
- 15.8.** The present GTCS represent version 1 and shall come into effect as of 18.01.2021.