

GENERAL TERMS AND CONDITIONS OF SALE

Horus Group s.r.o. (Czech Republic)

Horus Group LLC (Ukraine)

effective as of February 09, 2017

1. Scope

- 1.1. These general terms and conditions (the “**Terms**”) shall apply to all products (the “**Goods**”) that are sold by the companies of Horus Group (the “**Seller**”) to the customer (the “**Customer**”).
- 1.2. The Terms, together with the Seller’s specific conditions contained in the respective order confirmation (the “**Order Confirmation**”) and such other documents, specifically incorporated by reference herein, shall constitute the entire agreement between the Customer and the Seller, and supersede, in their entirety, any other conflicting terms and conditions proposed by the Customer and any oral or written communications that are not expressly incorporated herein (for the convenience purposes only, the Terms together with the respective Order Confirmation shall be referred to as the “**Agreement**”).
- 1.3. The Seller shall not recognize any terms and conditions of the Customer or any person placing the order, which contradict or diverge from these Terms. Any other agreements (general terms of purchase of the Customer, master contracts, bylaws etc.) applied by the Customer and/or specified by the Customer in respective Order Confirmation shall not be applicable and shall not be binding on the Seller even if they have been provided thereto. These Terms shall also apply if the Seller performs the delivery to the Customer or other party placing the order without reservations, in awareness of terms and conditions on the part of the Customer or other party placing the order which contradict or diverge from these Terms. A later objection or reservation against these Terms in spite of order and acceptance of the Goods by the Customer is irrelevant.
- 1.4. Agreements entered into between Seller or their agents and third parties shall only become valid upon Seller’s express written confirmation of the same.
- 1.5. The documentation, catalogues, samples, estimates and other materials produced by the Seller are produced for the sole purpose of giving an approximate idea of the Goods described in them and for information purposes only, and shall not be binding without the respective Order Confirmation.

2. Prices - Payment

- 2.1. Unless otherwise expressly stated in the Order Confirmation, prices are net cash, and the Customer shall pay all taxes and charges for transportation, insurance, shipping, storage, handling, demurrage and similar items. Invoice payment shall be made net cash, without any deductions, within the terms envisaged by the Order Confirmation. If the due date of the invoice payment is a bank holiday in the country of the receiving or sending bank, in that case the invoice payment shall be made the last working day preceding the due date of the invoice payment.
- 2.2. If it should appear, if the Order Confirmation has been agreed and before the full price for the Goods has been paid, in particular on the basis of information from the Seller’s insurance agency, that the Customer’s credit rating is in doubt or is deteriorating, the Seller reserves the right, even after partial dispatch of the Goods, to require the Customer to supply such guarantees as the Seller deems

appropriate with respect to the proper fulfilment of the undertakings the it has entered into. The refusal to satisfy such a requirement shall grant the Seller the right to cancel all or part of the transactions/deliveries providing a relevant written notice to the Customer of the same.

- 2.3. If Customer fails to pay on the due date, then Customer shall be obligated to pay, ipso jure and without prior notification, (i) interest at a rate of EURIBOR three months in effect at the date of the invoice beginning from the due date, and (ii) a fixed compensation amounting to 18% of the invoice amount per annum as a damage provision without prejudice to any other rights of the Seller caused by the said payment failure.
- 2.4. The Customer shall only be entitled to offset if his counter-claims have been legally determined and expressly recognized by the Seller. Furthermore, it is only authorized to exercise a right of retention if the counter-claim is based on the same contractual relationship.
- 2.5. The Seller shall have the right to assign its claims against the Customer to any third parties.
- 2.6. All bank fees, save the Seller's bank fees, shall be borne by the Customer.

3. Delivery

- 3.1. The terms of delivery shall be specified in the Order Confirmation. Unless otherwise prescribed by the Order Confirmation, INCOTERMS 2010 shall be applicable for the interpretation of standard commercial delivery clauses. The risk shall pass in accordance with the applicable term.
- 3.2. Unless otherwise expressly agreed in the Order Confirmation, the delivery times shall not be regarded as binding, and delays in delivery shall not entitle the Customer to claim any damages resulting therefrom.
- 3.3. The commencement of the delivery period stated by the Seller in the Order Confirmation is conditional upon the clarification of all technical questions with the Customer.
- 3.4. Compliance with the Seller's delivery obligation is also conditional upon prompt and correct fulfillment of the Customer's obligation. The foregoing is without prejudice to the defense of non-performance of contract.
- 3.5. The Customer shall timely accept the Goods delivered by the Seller on the agreed date and in accordance with the Customer's transport instructions. The unloading and unpacking of the Goods shall be at the Customer's risk and expense and the Customer shall be responsible for, enter alia, any damage caused to the Goods, transport vehicles, machinery and personal injury. The Seller reserves the right to claim damages suffered due to the Customer's untimely acceptance and/or unloading the Goods, provided such damages are supported by the respective documents and are not as a result of the Seller's fault.
- 3.6. Where the Customer is responsible for customs clearance of the Goods according to INCOTERMS, it shall arrange customs clearance of the Goods and unloading of transport vehicle within 24 hours from vehicle arrival to the destination point. The Customer shall be responsible and shall reimburse the Seller for any damages caused to the Seller and/or to the third parties as a result of the delay of the customs duties and/or unloading, provided that the delay was caused due to the Customer's fault.
- 3.7. Where the Goods are sold on EXW or FCA conditions, the Seller shall notify the Customer when the Goods are ready for collection at the agreed place and the Customer shall collect them without any delay and in any event within 5 (five) calendar days from the date of the notification. If the Goods are

not collected by the Customer within the prescribed term, the Seller may, at its sole discretion, dispatch the Goods to the other Customer, or store the Goods itself as it sees fit at the expense of the Customer. The Seller may, without any prior notification, apply a storage fee of 10 (ten) EURO per one tonne of the Goods for each full calendar week of delay. The portion of a week shall be calculated pro-rata. The Seller shall not be responsible for any rust, pitting or surface contamination of the Goods during the storage period.

4. Title and risk

- 4.1. The risk of loss or damage of the Goods shall pass from the Seller to the Customer in accordance with INCOTERMS 2010 term, indicated in the respective Order Confirmation.
- 4.2. The title to the Goods shall pass from the Seller to the Customer upon full payment of the Goods by the Customer in accordance with the clause 2 hereof and the Order Confirmation.

5. Packaging

- 5.1. The marking, if required, shall be made in accordance with the norms adopted by the Seller, unless other requirements from the Customer agreed by Seller.

6. Conformity - Inspection

- 6.1. Upon delivery the Customer shall carry out an inspection of the Goods to check the quantity and other parameters, stated in the Order Confirmation.
- 6.2. Any apparent defects, damage to the Goods and packaging (e.g. package faults, etc.) and/or incompleteness of the delivery shall then be noted, and the respective reference (note) must be made in the transport document. No claim shall be accepted by the Seller in respect of any apparent defects/damage of the Goods or incompleteness of the delivery if the relevant reference (note) in the transport document was not made.
- 6.3. Subject to clause 6.2 above, the Goods shall be considered accepted upon delivery to the Customer, if the Customer fails to make any comments in writing in respect thereof not later than 5 (five) calendar days after their delivery and before the Goods undergo any further processing. No claim shall be accepted by the Seller in respect of any apparent defect, deficiency and/or failure of the Goods to meet the specific terms of the order which a reasonable inspection should have revealed but for which said inspection was not made.

7. Liability

- 7.1. The Seller guarantees that the Goods are in conformity with the specifications, contained in the Order Confirmation, and applicable international standards.
- 7.2. If the Goods are considered by the Seller as defective, then the Seller is exclusively obliged, at its sole discretion, either to replace or reimburse such Goods, or if the price has not already been paid by the Customer, to reduce such price or to cancel the said contract.
- 7.3. The Seller shall not be liable for any loss of processing expenses, loss of production, loss of revenue and/or any other consequential or special loss or damage directly or indirectly sustained by the Customer or by any other person whatsoever. The Seller can only be held liable for damages caused by its gross negligence duly proved by the Customer, and the Seller's liability will in any event be limited to 100% of the invoiced value of the damaged Goods.

8. Force Majeure

- 8.1. The manufacture, shipment and delivery of the Goods hereunder shall be subject to, and the Seller shall not be liable for, any delay in or impairment or performance resulting in whole or in part from any war (whether or not declared), strike, labor conflict, accident, fire, flood, Acts of God, delay in transportation, shortage of materials, equipment breakdowns, mill conditions, laws, regulations, orders or acts of any governmental agency or body, or any cause beyond the reasonable control of the Seller, or rendering performance by the Seller impracticable due to the occurrence of a contingency the non-occurrence of which was a basic assumption on which the Order Confirmation was issued. In any such event, the Seller shall be entitled to such additional time to perform as may be reasonably necessary, and shall have the right to apportion its production among its customers in such a manner as it may deem equitable.
- 8.2. This provision shall apply, mutatis mutandis, to the Customer.
- 8.3. The occurrence of any such event of force majeure shall be notified in writing to the other party within 5 (five) days of the occurrence of any such event.

9. Termination

- 9.1. The Seller may terminate the whole or any part of the Agreement by written notice of default sent to the Customer, in any of the following circumstances:
 - 9.1.1. the Customer fails to pay any undisputed amount due under the Agreement on the due date for payment and remains in default not less than 10 (ten) calendar days after being notified in writing to cure the breach and make such payment;
 - 9.1.2. with immediate effect – if the Customer commits a material breach of any other term of the Agreement and such breach is irremediable, or, if such breach is remediable – if the Customer fails to remedy that breach within a period of 10 (ten) calendar days after being notified in writing to do so; or the Customer becomes insolvent or a voluntary or involuntary bankruptcy or a similar proceeding is filed against the Customer.
- 9.2. If the Customer terminates the Agreement on his own convenience the following cancellation penalty shall be applied:
 - 9.2.1. 10% of the price for the cancelled Goods – if the termination was notified before the beginning of the production process;
 - 9.2.2. up to 90 % of the price for the cancelled Goods if the termination was notified during the production process; and
 - 9.2.3. 100% of the price for the cancelled Goods if the termination was notified after the completion of the production process.

10. Applicable law and Jurisdiction

- 10.1. The laws of the country of the Seller's incorporation shall be the applicable law in all disputes arising under these Terms.
- 10.2. The United Nations Convention on the International Sale of Goods (the Vienna Convention) is hereby expressly excluded.
- 10.3. Any dispute, controversy or claim arising out of or in connection with this Terms or Order Confirmation, or the breach, termination or invalidity thereof, shall be finally settled by arbitration

administered by the Arbitration Institute of the Amsterdam Chamber of Commerce (the "SCC"). The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one arbitrator. The seat of arbitration shall be Amsterdam. The language to be used in the arbitral proceedings shall be English. The arbitration award shall be final and binding to the parties.

- 10.4. Irrespective of the above, the Seller shall have the exclusive right to bring any dispute involving the Customer before the courts of the Customer's jurisdiction of incorporation.

11. Miscellaneous

- 11.1. If any of Terms or part thereof shall be determined to be void, unenforceable or illegal in whole or contained in part, such determination shall not affect the validity of the other terms and conditions herein. In case of conflict between the provisions in the Order Confirmation and the wording of the present Terms, the provisions in the Order Confirmation shall prevail.
- 11.2. The parties shall keep (and ensure that their employees, subcontractors and agents keep) confidential and does not disclose to any person the terms of the Order Confirmation and any confidential or proprietary information provided to or acquired by the other party in the course of the cooperation.
- 11.3. The Seller's failure to exercise any right shall not be deemed to be a waiver of such right.
- 11.4. This Terms shall apply to the sales made by Horus Group s.r.o. (Czech Republic) and Horus Group LLC (Ukraine).