



General Terms and Conditions **Valid from January 1, 2008**

I. Conditions

1. The present general terms are valid for all business operations with the Purchaser (the "Purchaser"). Polyrack North America Corporation ("Polyrack") does not recognize any conditions opposite or different from our General Terms and Conditions. If any conflict between the Terms and Conditions set forth herein and a Purchaser's Terms and Conditions, Polyrack's Terms and Conditions shall prevail. Polyrack's Terms and Conditions may only be altered or waived in writing.

2. By placing an order with us, the Purchaser acknowledges our General Terms and Conditions of Trading.

II. Quotations and Prices

1. Unless otherwise agreed or specified, our quotations are always subject to alteration due to changing costs and demands. We reserve the right to renegotiate price based on reasonable business judgment.

2. A contract becomes effective only after our written order confirmation. Amendments or additions or other arrangements of orders, as well as agreements made by the Purchaser with agents and representative, require our written confirmation.

3. If the order is not placed with us, we reserve the right to charge for consultation, models, drafts, and calculations at a reasonable rate.

4. Unless otherwise agreed to, all shipments are FOB, Factory.

5. Discounts are applicable to orders placed on same day for shipment at agreed to schedule. Additions to existing orders will be treated as new orders for both price and delivery.

6. All orders are subject to a \$50 minimum.

III. Delivery Period

1. Delivery and execution dates are valid only if expressly acknowledged by us in writing. Any changes in delivery schedule by the Purchaser, must be made at least 30 days prior to the shipment of goods.

2. The delivery period begins from our sending of the written order confirmation, or upon receipt of Purchaser authorizations and approvals, or upon receipt of an agreed advance payment, whichever occurs latest.

3. The delivery or execution period is considered to have been adhered to once the goods have left the factory or have been declared ready for shipment.

Acts of God and other circumstances beyond our control, give us the right to an extension of the dead-line according to the duration of these events, such as: hindrances due to a public measures, works malfunctions, cast faults or miscellaneous rejections, strikes, lock-outs, various labour strike related measures, delays in delivery of accessory parts, raw materials, business materials or other necessary materials, etc.

The consequence of damage of goods, where such goods are either in process or finished, has to be borne by the Purchaser for the time he falls behind in taking delivery of the goods due to actions of the Purchaser.

4. For storage in our factory, related to a delay in payment, we are entitled to invoice at least 0.5% of the invoice amount for each month.

Should the Purchaser withdraw without written approval from a confirmed order, we are entitled to claim 25% of the selling price for expenses incurred

5. We reserve the right to make partial deliveries.

6. Should the Purchaser fail to take delivery of goods for more than 14 days from when product is made available, we are entitled, after granting an extension by another 14 days, to withdraw from the contract or to claim compensation for non-performance. No extension is required if the Purchaser refuses definitively to take the delivery

IV. Payment Terms

1. We are authorized to require a reasonable advance payment with order under certain conditions.

2. If no other agreement has been made, the price is due for payment, without deduction, within 30 days from date of invoice or of delivery of the item to be delivered. If applicable, Cheques and Bills of Exchange are considered as payment only after their cashing by the bank. Bills of Exchange are accepted only after a written agreement with us. In case of acceptance of Bills of Exchange and Cheques, discount rates and rates of exchange may be charged to the Purchaser and are to be paid immediately. Other expenses resulting from acceptance of cheques and bills of exchange will be invoiced to the Purchaser as well.

3. Any demand that an invoice needs to be amended must be made by the Purchaser in writing and within one week of receipt of the invoice, otherwise the invoice is considered acknowledged by the Purchaser.

4. Purchaser will be in arrears 30 days after the invoice date and a receipt of payment remains unpaid. Future shipments of goods could be delayed until full payment for outstanding balances is made, or subsequent agreement to payment terms is outlined in writing. A demand for "prepayment" can be made for future orders should payment issues continue.



V. Returns and Cancellations

1. No items may be returned without a return authorization from Polyrack.
2. Modified parts are considered NCNR unless otherwise agreed to in writing.
3. In cases where a return is authorized, a minimum restocking charge of \$50 applies to all orders under \$500. A 15% restocking charge for orders greater than \$500 will apply.
4. Any items retained for 60 days or more after invoice cannot be returned.
5. In cases where a cancellation is authorized, cancellation charges of 5%-50% will be charged depending on type of product and status of work.

VI. Designs, Drawings, Tools, Molds, Technical Information, Samples

1. We retain any copyright of designs, drawings, quotations, molds, tooling and devices. They must not be made accessible to third parties unless we have given our written express permission. Drawings and other documents pertaining to the quotations are to be returned to us on demand and as a matter of course if we do not win the contract. The purchaser is not allowed to keep any copies. If we have delivered articles conforming to drawings, models, samples or various documents the Purchaser has provided to us, the Purchaser takes responsibility in obtaining full legal rights to use delivered materials and that they do not infringe on a third parties rights. Should we be prohibited by third parties, with reference to copyright laws, to manufacture or deliver such articles, we are entitled to cease activities and to demand compensation for costs incurred and lost profit. The Purchaser indemnifies Polyrack from all claims of third parties which may arise. The Purchaser's duty to indemnify us concerns all damages and expenditures arising from third party's claims.
2. Technical information (i.e. dimensions, specific weights) in the quotations and confirmation are not binding. Their observance cannot be guaranteed. We reserve the right to divergence within the DIN or ISO norms.
3. If tools or equipment are manufactured by us or under our control, the Purchaser has to refund production cost to us, unless otherwise expressly agreed in writing. The tools or equipment remain our exclusive property unless otherwise expressly agreed with the Purchaser in writing.

VII. Specification of Goods: No Warranties.

1. Purchaser hereby represents, warrants and acknowledges that (a) Purchaser has provided to Polyrack in writing all specifications, data and descriptions necessary to accurately specify the desired shape, physical properties, dimensions and color (the "specifications") of the goods to be purchased hereunder and (b) if any samples of the goods have been supplied by Polyrack, such samples have been received and inspected by Purchaser and are completely satisfactory to Purchaser in every respect.
2. POLYRACK MAKES NO WARRANTIES REGARDING THE GOODS BEING PURCHASED BY PURCHASER, WHETHER EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE ARE HEREBY DISCLAIMED AND EXCLUDED, AND ALL IMPLIED WARRANTIES AGAINST INFRINGEMENT OF ANY UNITED STATES OR FOREIGN PATENT, TRADEMARK COPYRIGHT, TRADE NAME OR SIMILAR COMMON OR CIVIL LAW ARE DISCLAIMED AND EXCLUDED.
3. Without limiting the generality of the foregoing disclaimers of warranty and liability, Polyrack shall have no liability whatsoever for any special, indirect, direct, economic, incidental or consequential damages based upon breach of any warranty, breach of contract, negligence, strict tort or any other legal theory including, without limitation, loss of profits, loss of savings of revenue, loss of used of the goods, cost of capital, cost of any substitute goods, down time, the claims of any third party, including customers, personal injury, death or injury to property.

VIII. Place of Execution and Jurisdiction Governing Law

1. The place of execution is Providence, Rhode Island.
2. The place of jurisdiction for all disputes arising from contractual relations, if the Purchaser is a sales and marketing person, is according to our choice either the superior court of the State of Rhode Island or the federal district court for the district of Rhode Island. Purchaser hereby submits to the jurisdiction of such courts.
3. The governing law is exclusively the law of the State of Rhode Island.

IX. Other agreements

1. The invalidity of one or more clauses will not affect the enforceability of the other clauses.