



GENERAL TERMS AND CONDITIONS OF SALE

I. GENERAL PROVISIONS

1. The present GENERAL TERMS AND CONDITIONS OF SALE, hereinafter referred to as GTC for brevity, constitute standard contractual conditions applied to all business transactions signed between **AFER BULGARIA FOOD**, hereinafter referred to as the SELLER, on one hand, and an individual or a legal entity, hereinafter referred to as the BUYER, on the other hand, where the SELLER agrees to transfer the ownership and deliver, and the BUYER agrees to pay and accept any goods ordered by him.
2. A sale and purchase contract, hereinafter referred to as the CONTRACT for brevity, shall be entered into by the SELLER and the BUYER, hereinafter collectively referred to as the PARTIES, for each transaction between them, where any special conditions agreed by the PARTIES shall be stated. The CONTRACT shall specify the parameters of the deal entered into regards the goods type and description, quantity, packaging, price, delivery term, etc., as well as state explicitly any deviations from the present GTC, if such have been agreed between the PARTIES. By signing the CONTRACT the BUYER shall accept and agree with the effect hereof.
3. The aggregate of any special conditions stated in the CONTRACT and these GTC shall constitute the entire agreement reached by the PARTIES in relation to the sale of the goods. Any preliminary arrangements, exchanged quotes and counter offers and other preliminary arrangements and agreements shall be replaced and included in the CONTRACT signed by the PARTIES.

II. INFORMATION OF THE GOODS AND/OR SERVICE

4. Representations made by the SELLER in print materials and/or mass media and/or website regards prices, technical and/or quality parameters or any other information of the goods offered shall be binding to him exclusively

and only if the CONTRACT quotes them expressly.

5. Any samples of goods provided to the BUYER shall be deemed type specimens and the SELLER shall bear no responsibility for the full compliance of the delivered goods with the sample.
6. Any business information regards the goods, including samples, analyses, as well any price quotes (offers) made shall be used by the PARTIES exclusively and only in view of entering into the CONTRACT, and the BUYER shall have no right to disclose or provide them, directly or indirectly, to any third parties.

III. DELIVERY OF GOODS

7. Unless otherwise provided for by the CONTRACT, the goods shall be delivered by the SELLER to the BUYER at the warehouse of AGROPOLYCHIM AD in Devnya, loaded on the forwarder's vehicle (FCA), pursuant to INCOTERMS 2010 elaborated and published by the International Chamber of Commerce in Paris (ICC).
8. The delivery of the goods, being subject matter of the CONTRACT, shall be performed based on written dispatch orders sent by the BUYER to the SELLER not later than one business day prior to the ordered dates of dispatch, containing: date of dispatch; description of goods; packaging; quantity; registration numbers of vehicle and trailer (for vehicles leaving the country); vehicle driver's name, surname and personal number; ID card or passport number (for foreign drivers); place of goods unloading (for vehicles leaving the country); goods consignee's name, address and VAT number (if different to the BUYER).

9. Dispatch orders shall be sent to the SELLER by e-mail or by the Internet-based platform for online orders on the www.agropolychim.bg website and they shall be considered binding after their status has changed to "processed".
10. In case the CONTRACT does not provide for otherwise, it shall be deemed that the SELLER has the obligation to deliver the goods in equal batches within the term agreed.
11. Should a certain term for the goods delivery be agreed, it shall commence on the date of signing the CONTRACT.
12. The date of fulfillment of the SELLER's obligations under the present CONTRACT shall be the date of loading the goods recorded in the Statement of handover and acceptance accompanying the goods.
13. The SELLER shall fulfill his obligations under the CONTRACT by loading the goods on the vehicle (truck, railway car, etc.), either hired by the BUYER or provided by the SELLER, or by its delivery by a forwarding agent appointed by the BUYER, unless otherwise provided for in the CONTRACT.
14. The quantity of the goods delivered to the BUYER shall be the one stated in the documents issued by the SELLER. The said quantity shall be established by the commercial measuring devices installed at the place of loading and owned by the warehouse operator.
15. Should, through the SELLER's fault, the quantities for dispatch ordered and accepted for execution within a certain calendar week fail to be executed as per the schedule approved by the PARTIES, the SELLER shall execute these dispatches in a subsequent period, even if it requires the extension of the effective period of the CONTRACT. With such supposition the BUYER shall be entitled to refuse to accept a subsequent delivery of the goods which has not been dispatched through the SELLER's fault. Under no circumstances though, except for the obligation to deliver any non-dispatched quantities, the SELLER shall have obligations to pay penalties, defaults and/or indemnities, as a result of delayed delivery.
16. Should, through the SELLER's fault, the quantities for dispatch ordered and accepted for execution within a certain calendar week fail to be executed as per the schedule approved by the PARTIES, the BUYER agrees to order and accept these dispatches in a subsequent period, even if it requires the extension of the effective period of the CONTRACT. With such supposition the SELLER shall be entitled to refuse any

delivery of the goods which have not been dispatched through the BUYER's fault.

IV. PRICE

17. The price of the goods shall be determined by the PARTIES at signing the CONTRACT, and it shall be explicitly stated as a special condition.
18. The price of the goods shall include the value added tax, if such is due for a particular transaction.
19. The price of the goods shall be fixed and may not be changed, unless legislative changes occur in the taxation regime of the transaction, e.g. introduction of new taxes, duties, excise, charges, fees, etc. or changes in the applicable rates, after the CONTRACT has been signed.

V. METHOD OF PAYMENT

20. The BUYER shall pay the price stated in the CONTRACT, and should such a signed contract be not available, the price of the batch of goods ordered by the customer, in advance, not later than the date preceding the ordered date of goods delivery by the SELLER.
21. The BUYER shall pay the price of the goods by a bank transfer, so the full amount due is received in the bank account appointed by the SELLER, without any discounts, deductions, counter claims or offsetting. Any commissions and fees charged and collected by the servicing banks of the BUYER and the SELLER for the execution of the bank wire, shall be at the BUYER's expense.
22. Upon receiving the funds wired for payment of the full price of the goods in the SELLER's bank account and registration of the payment received in the SELLER's information system, the goods shall be dispatched from the SELLER's warehouse based on a produced bank statement.
23. In case the full price is agreed to be paid in advance, the PARTIES agree that the price paid in advance shall not be deemed a deposit.
24. In case a partial advance payment for the goods is agreed, the same shall be deemed the BUYER's performance bond. The SELLER shall be entitled to keep the partial advance payment, should the BUYER fail to fulfill his obligation to pay and receive the quantities of goods agreed.

VI. OWNERSHIP AND RISK

25. The title and any risks of accidental perish or damage of the goods shall pass on from the SELLER to the BUYER, when the goods are loaded onto the transport vehicle provided by the BUYER or the SELLER or when the goods are

handed over to a forwarding agent appointed by the BUYER.

VII. DOCUMENTS

26. A Statement of handover and acceptance (SHA) shall be composed and signed by and between the PARTIES in accordance with the SELLER's form, for each batch of goods delivered by the SELLER to the BUYER or the forwarding agent. The SHA must contain at least: date of dispatch; type, packaging and quantity of dispatched goods; dispatch point; vehicle number; name of the SELLER's representative or the warehouse operator; name of the BUYER's representative or the forwarding agent, having signed the document.
27. Within the legally established term the SELLER shall issue invoices for every batch of goods dispatched on the preceding days and send the invoices to the BUYER. To BUYERS registered in the country, the invoices shall be sent by post, courier or electronic means, through www.efaktura.bg website. To BUYERS registered outside the country, the invoices shall be sent by international courier or by e-mail.
28. With transport of goods outside the country, apart from SHA, the representatives of the SELLER and the forwarding agent shall also draw up and sign international bills of lading in compliance with the Convention on the Contract for International Transport of Goods by Road (CMR). In these cases the BUYER shall have the obligation to send a copy of the CMR Bill of lading bearing the goods consignee's signature and stamp in box No.24, to the SELLER within 30 (thirty) days from the dispatch date. Upon failure to fulfill the obligation under this point, the BUYER shall be liable for any damages from non-fulfillment suffered by the SELLER.
29. In addition to the requirements set out in the previous paragraph, where a given batch of goods is transported from the territory of the Republic of Bulgaria to the territory of another EU member-country, the BUYER agrees to send the SELLER, by international courier and by e-mail to the following address: sales@agropolychim.bg, an official written confirmation in a form approved by the SELLER, signed by an authorized person and stamped by an official stamp, evidencing that the goods have been received on the territory of the other member-country. The written confirmation must contain the following: date and place of receipt; name and position of the person having received the goods; type and quantity of goods; type, make and registration number of the vehicle used for transportation; name and

position of the person having delivered the goods.

30. To facilitate the BUYER, any confirmation letters under the preceding point shall be prepared automatically by the SELLER at the beginning of each calendar month and sent to the BUYER by e-mail, with details of any performed dispatches filled out in advance, within the previous calendar month. In such case the BUYER's only obligation shall be to fill in the place and date of receiving individual goods batches, his name and position, to sign and stamp the letter and send it to the SELLER, as it may be described in the preceding paragraph.
31. It shall be the SELLER's obligation to provide and submit to the BUYER a quality certificate of the goods issued on the basis of an analysis, carried out by an accredited chemical laboratory, for each batch of goods or group of batches, and the SELLER shall guarantee that their quality complies with the parameters in the certificate.
32. The documents certifying the origin of the goods shall be issued in accordance with the BUYER's instructions. For destinations in the European Union (EU), upon the BUYER's request, the SELLER shall provide a T2L/T2LF certificate issued and certified by the Bulgarian competent authorities, following the EU regulations. For other destinations, the SELLER shall provide another type of certificate of goods origin (for example, EUR1) issued, signed and certified by the Bulgarian competent authorities, following the regulations of the country of destination.

VIII. EXCLUSION OF GUARANTEES

33. Unless the PARTIES explicitly agree in writing otherwise, the quality of goods, as of the time of its delivery by the SELLER to the BUYER, shall comply exclusively and only with the product specification set out in the CONTRACT and the quality certificate issued for a particular batch of goods.

IX. COMPLIANCE WITH THE LAW

34. The SELLER shall guarantee that the goods delivered to the BUYER comply with all requirements of EU Regulation No. 1907/2006 of the European Parliament and the Council of 18.12.2006 on the registration, evaluation, authorization and restriction of chemicals, known as REACH. The BUYER shall be responsible for any damages caused by his failure to comply with the above stated Regulation.
35. The SELLER shall provide the BUYER with a document evidencing the preliminary registration of any chemical substances and

mixtures contained in the purchased goods, as well as a safety datasheet of the goods, in accordance with the REACH regulations. In view of fulfillment of his obligation under the preceding sentence, the SELLER shall ensure the safety datasheet of the respective goods to be published and maintained updated on www.agropolychim.bg website.

36. Any vehicles for transportation of the goods shall comply with the imperative requirements of the European Agreement on the International Carriage of Dangerous Goods by Road (ADR) and Regulation No. 40 of 14.01.2004 on the conditions and procedure for Transport of Dangerous Goods by Road.

X. CLAIMS

37. The BUYER shall ensure the goods inspection at the time of their loading on the respective vehicle, and notify the SELLER immediately of any visible defects established. Should the BUYER fail to do that, the goods shall be deemed approved as complying with the requirements.
38. The SELLER shall bear no responsibility for any damages or losses caused directly or indirectly by any quality defects established in the goods delivered to the BUYER later.
39. Claims regards the quantity and quality of the goods, subject of this CONTRACT, may be filed only prior to the goods acceptance by the BUYER or the forwarding agent, and if accompanied by a record issued by an independent organization of goods control.
40. Claims for shortages and/or aggravated quality parameters arisen during transportation, shall not be accepted by the SELLER.

XI. FORCE MAJOR

41. None of the PARTIES shall be responsible for any potential full or partial non-fulfillment or delayed fulfillment of their obligations, except for the fulfillment of any payment obligations, where the said non-fulfillment or delay is in result of an insurmountable force.
42. An insurmountable force shall be construed in the meaning of Art. 306 of the Trade Act. Force major circumstances, as per the present GTC, shall be circumstances caused by or arisen in result of war, hostile activities, sabotage, blockade, revolution or civil commotion, expropriation or nationalization, embargo or restrictions on the import, acts of God, fire, freezing, earthquake, storm, tidal wave or marine risk, accidents, delay, breakdown or arrest of ships, incidents in or closure of ports,

quays, canals or other installations or concomitant elements of shipping and navigation, strikes, lockout or any other lab our disturbances, shortage of raw materials with the manufacturer or production accidents, as well as any other circumstance beyond the PARTIES' reasonable control.

43. A party affected by an insurmountable force shall undertake any necessary measures with the purpose of recovering any damages and losses suffered, and notify the other party immediately in writing of the nature of the force major and its potential consequences for non-execution of the CONTRACT. The notification shall be accompanied by a document issued by the Bulgarian Chamber of Commerce and Industry and evidencing the event.
44. An insurmountable force would cause adjustment to any terms and schedules agreed if the circumstances influence the execution of the CONTRACT directly, where the fulfillment of the obligations and ay counter obligations shall be ceased during the effect of the said force major.
45. Should an insurmountable force last for over 3 (three) months, either Party may terminate the CONTRACT by sending a written notice with immediate effect from the time of its receipt. In such case no indemnities shall be owed to the non-defaulting party.

XII. PENALTIES AND DEFAULTS

46. In case of delayed due payment the defaulting PARTY shall owe the other one a default for delay at the annual interest rate of 10 % (ten percent) of the value of the due payment for each day of delay.
47. Should the BUYER fail to accept the goods within the terms agreed, he shall owe a default for delay at the annual interest rate of 10 % (ten percent) of the value of any goods not received for each day of delay.
48. In case of termination or cancellation of the CONTRACT through either PARTY's fault, the PARTY liable for the termination or cancellation shall owe a default of 15 % (fifteen percent) of the total value of the CONTRACT.
49. Defaults shall be owed automatically without any special notification necessary. The PARTY, the default is due to, may offset the default sum against its liabilities to the defaulting party.

XIII. NOTIFICATIONS

50. Each notification under the CONTRACT shall be sent in writing and, unless otherwise instructed, served in person, by courier, by e-mail or telefax

to the management address of the SELLER or BUYER, stated in the CONTRACT.

51. Each notification shall be deemed served: (a) if served in person, at the time of delivery; (b) if sent by courier, at the time of its receipt, and the courier receipt shall serve as evidence; (c) if sent by telefax, at the time printed in the fax report of successful transmission and without errors to the recipient's address; and (d) if sent by e-mail, when received.

XIV. APPLICABLE LAW AND DISPUTE SETTLEMENT

52. The regulations of the effective Bulgarian civil and trade legislation, as well as the INCOTERMS 2010 regulations shall apply to any relations between the PARTIES unsettled in the CONTRACT and the present GTC.
53. Any disputes arisen out of these GTC and/or the special conditions of the CONTRACT or related to it, including disputes arisen or related to its interpretation, invalidity, execution or termination, as well as disputes for filling in blanks in the CONTRACT or its adaptation to any newly arisen circumstances, shall be settled by the competent Bulgarian court.

XV. ADDITIONAL REGULATIONS

54. The CONTRACT may be amended or supplemented only by the mutual agreement of the PARTIES expressed in writing. No business, preliminary transactions or factual actions or execution between the PARTIES may be deemed changing the conditions of the present GTC and the special conditions of the CONTRACT.
55. The BUYER shall have no right to transfer his rights and obligations under the CONTRACT to any third party without the SELLER's consent, except in cases of transformation of the respective business company.
56. Should the BUYER decide to resell the purchased goods, he shall do it on his behalf and at his expense without binding the SELLER with obligations to any third parties.
57. The PARTIES agree to disclose no confidential information, exchanged during the bilateral negotiations or having become known to them during the CONTRACT execution, to any third parties.
58. Confidential information shall be the information obtained by either PARTY during or in relation to the negotiations, CONTRACT conclusion and execution, concerning the PARTIES' production and business activity and constituting company and business secret of the PARTY, and the disclosure of such information shall have a negative effect on the damaged

party or grant a comparative advantage to a competitor.

59. In case either provision of the present GTC or a part of it is declared invalid by a competent court as provided for by the law, the present GTC shall remain valid regarding the rest of the provisions, the rest of the affected provision respectively.
60. The present GTC shall also apply to services provided at or in relation to any transactions for sale of goods.
61. In case of controversy between the special conditions of the CONTRACT, on one hand, and GTC, on the other hand, the regulations of the special conditions shall apply with priority.

XVI. COMING INTO FORCE

62. The present GTC have been drawn up on the grounds of Art. 16 of the Act on Obligations and Contracts and Art. 298 of the Trade Act, approved by Order No.1 of 24.02.2016 issued by the Manager of AFER BULGARIA LTD., and they become effective on 01.03.2016. An updated version of this document is published at the following Internet address: www.agropolychim.bg.