

General Terms

I. General Information

Art. 1 – The following general conditions have as purpose the commercialization of products from the production/distribution/marketing program of the SELLER or according to the orders received from the BUYER which are an integral part of the agreed contract.

Art. 2 – For orders to be fulfilled, the buyer must send the seller the varieties and quantities that need to be delivered.

Any order once sent to be processed, is considered final and irrevocable.

Any order once sent to be processed can be cancelled only with the agreement of both parties.

In the case of being impossible to cancel an order because of various reasons (the merchandise being paid in advance to the producer or supplier, in the case of refusal from the producer or supplier to cancel the order) the merchandise will be delivered to the BUYER, who has to pay its contractual duties.

Art. 3 – The seller undertakes to transfer the merchandise to the buyer, and the buyer to receive and pay in full the price agreed to, in the terms and conditions mentioned in the contract and order.

The buyer has full property rights over the merchandise delivered by the seller only when the full value of the contracted amount has been paid – this includes the merchandise from the current order as well from previous orders.

If the buyer is late with payment duties, the seller reserves the right to regain possession of the merchandise delivered to the buyer. This situation does not impose the termination of the contract.

Furthermore, the seller has the right to sell the goods obtained from the buyer. The amounts resulted from the selling of these goods will be used to liquidate any outstanding debts the buyer has towards the seller in the following order: penalties, interest, and capital.

II. Delivery Periods

Art. 4 – The delivery periods of the merchandise that are part of the contract are agreed to by both parties.

Art. 5 – The delivery period can be rescheduled by the seller if the buyer does not comply with the present contractual terms agreed to by both parties.

Art. 6 – In the case of not picking up the products at the terms and in the quantities mentioned in the contract the buyer has to pay daily penalties in amount of 0,1% of the contracted amount without formal notice. The delay penalties may exceed the amount of the sum which is calculated from.

III. Price

Art. 7 – The price of the products will be set in the order, will remain unchanged and it will be found as well in the invoice released by the seller to the buyer. The price is considered to be accepted by both parties once the contract is signed or the order confirmed.

Billing orders are in EUR / USD and will be made in the day of delivery and invoicing of the products.

Art. 8 – The price of products is calculated based on LME/Del-Notiz/etc. on copper/aluminum and EURO/USD. The changes in the LME/Del-Notiz/etc. quotes will change the price if the order is not launched and the seller's offer to the buyer has passed its availability.

IV. Payment methods. Terms of payment. Penalties

Art. 9 – The payment for the products part of the contract can be made using one of the following methods:

- a) Cash in advance or Telegraphic transfer (T/T).
- b) Letter of Credit (L/C) also known as Documentary Credits (D/C).
- c) Bank Guarantee (BG) or Standby Letter of Credit (SBLCs).
- d) Documents against Payment (D/P).
- e) Open Account or Documents against Acceptance (D/A).

Art. 10 – The credit limit offered by the seller to the buyer will be set after an analysis of the buyer's company by one or more of the following financial risk insurance companies: COFACE/EULER-HERMES/ATRADIUS. This credit limit will be available only for companies from countries which are members of the European Union.

Art. 11 – The terms of payment and payment methods will be set according to Art. 9 and with the agreement of both parties involved. They will be mentioned in the contract of the confirmed order by the seller.

Art. 12 – If the buyer does not pay for the owed goods according to Art. 9 terms, it will be obliged to pay 0.1% daily penalty. These penalties will be calculated from the owed amount up to the date of full payment of all the invoices issued to the buyer by the seller.

Penalties will start applying the following day of the last day possible for payment of all outstanding invoices.

Art. 13 – Penalties calculated according to Art. 12 from this contract can be higher than the initial amount invoiced. The seller can invoice the buyer for the owed penalties at the end of each month.

Art. 14 – If the buyer does not respect the payment terms for one or more previous invoices, the seller can ask the buyer for a payment guarantee according to existing law (indemnity, bank guarantee).

Art. 15 – If the seller exceeds the delivery terms mentioned in the annex of this contract by 3 days, it will pay daily penalties amounted to 0.1%/day of being late, these being invoiced by the buyer at the end of every month.

The value of the penalties invoiced by the buyer to the seller may be higher than the value of the order, up until the merchandise is delivered or until the buyer decides to cancel the order.

V. Acceptance of products. Certification. Warranty

Art. 16 - Delivery is based on quantitative and qualitative reception made at the buyer's destination or other location indicated by the buyer, in the presence of the buyer's delegate or directly by the logistics company contracted by the seller. In the absence of the buyer, reception is made automatically.

Art. 17 – The quality of the delivered products is certified by a declaration of conformity. The buyer has the obligation to handle, transport and store the products delivered in accordance with the indications given by the seller.

At delivery, the products will be accompanied by:

- Invoice;
- Warranty certificate;
- Certificate of conformity;
- Test certificate;
- Product list.

Art. 18 - Complaints can be submitted to the seller by the buyer as follows:

- a) Regarding quantity - within 3 days after the goods have been delivered to the buyer.
- b) Regarding quality - within 5 days after the goods have been delivered to the buyer.

In this case, the complaint shall be accompanied by a document which shows the mentioned qualitative deficiency, issued by an authorized organization, i.e. certificate of inspection or analysis, photos or samples, or any other proof which is agreed by seller.

Within 5 days of receiving the complaint, the seller has the obligation to notify the buyer with its point of view on the claim. If the buyer's complaint is founded, the seller will take steps to remedy the deficiencies notified by the buyer.

Art. 19 - If the buyer is not informing the seller regarding the deficiencies of the products in the time limit set in the contract/order, the seller is not obligated to repair the faults mentioned.

Art. 20 – The seller undertakes to provide the products in line with the technical requirements of the standards.

VI. Shipment and Transportation of products. Packaging

Art. 21 - Shipment of products covered by this contract is made by means of transportation facilitated by the seller or buyer, provided that they protect the products.

On receipt of the goods only the risks are transferred to the buyer, ownership of goods being transmitted according to Art. 3 of this contract.

Art. 22 - The seller must take all precautionary measures and ensure that the products are packaged accordingly.

The drums used for delivery of the products can have input value in SC HALEY CABLES SRL; it is the buyer's obligation to handle, preserve and store the drums for refund (where applicable).

The drums are returned with an accompanying notice of the products, following that after inspection, based on the reception report sent by fax, the buyer will invoice the value of packages (when applicable). Their value is the amount invoiced by the seller minus the wear rate of 15~20% of the amount invoiced by the seller to the buyer.

VII. Special Clauses

Art. 23 – The party which cannot fulfil its contractual obligations, in the eventuality of a force majeure case, must notify (via fax, e-mail or mail) the other party in 5 (five) days' time. Within 15 days of sending the notice, the party invoking force majeure will send out an official document issued by the Chamber of Commerce or by other authority with similar competence, document which will certify the facts, date and notified circumstances accuracy.

In terms of the previous paragraph, the contract can be terminated without the claiming of damages.

If the notice and commencement confirmation of force majeure is not made within the time frames set, the party which does not respect this procedure is responsible for the prejudice caused to the other party due to this omission.

Art. 24 – Failure to pay for the products delivered within the period stipulated in this contract, entitle the seller to suspend deliveries and force the buyer to pay penalties stipulated in Art. 12.

Art. 25 – If the company identification data – which acts as the buyer - mentioned by its representative, signer of the contract, are not real, the signer will personally and jointly respond along with the represented company, for payment terms, penalties, etc.

Art. 26 – The buyer assumes responsibility - under penalty for damages - to notify the seller of any changes that may occur in structure, legal form, identification data, promoted actions against them under the Law of Insolvency, within 10 days of their occurrence.

VIII. Cases of Contract Termination

Art. 27 – This contract is terminated in the following circumstances:

- a) when it meets its established deadline, unless the parties decide to extend it;
- b) cancellation with the agreement of both parties;
- c) dissolution, bankruptcy or in case either one of the parties is going to be liquidated;
- d) in other cases provided by law.

IX. Litigation

Art. 28 – Disputes occurring between parties for the duration of the contract will be settled amicably by representatives of both parties.

If no amicable settlement is reached, any dispute arising from or relating to this contract, including the validity, interpretation, performance or termination, shall be settled by the competent courts.

X. Final Statements

Art. 29 – The stipulations of this contract complement with the civil and commercial law provisions of Romania.

Art. 30 – Addendums, annexes, orders etc. attached to this contract, signed in the same conditions as the contract, will be part of and will complete and / or modify it.

Art. 31 – The contract details may be changed before or during the contract's execution through written agreement of the parties involved.

Art. 32 – Any order received through e-mail, fax, mail or original is integral part of the contract.

Art. 33 – The contracting parties agree that the information they obtained as a result of the execution of this contract, for instance, the product characteristics, their

prices, any other companies the seller recommends to the buyer etc. are confidential and cannot be transmitted without the written consent of the seller through e-mail, fax, mail or original.

The party which fails to respect this clause will be held responsible for damage caused according to current legislation.

This clause does not apply in case confidential information becomes public for reasons not attributable to the contracting parties.

Art. 34 – The negotiation and signing term of the contract is 15 days from its dispatch to the buyer. If the buyer does not object within the above mentioned term, the contract will be deemed concluded in its previously communicated form.

Art. 35 – After signing the contract, these general conditions will be part of it and the contract will be registered in the Electronic Archive of Real Warranty Property.

Art. 36 – Any contract agreed upon will be signed in 2 copies, one copy for each party, the seller and the buyer.

The present contract has 6 pages.