

## **GENERAL TERMS OF PURCHASE**

in the Przedsiębiorstwo Produkcyjno-Handlowe [Production and Commercial Company] EKO-ŚWIAT Jarosław Śliwakowski ul. Kolejowa 45/46, 42-270 Kłomnice 1.

### **1. GENERAL PROVISIONS**

1. These General Terms of Purchase shall apply to orders placed by PPH Eko-Swiat Jaroslaw Śliwakowski, hereinafter referred to as “the Ordering Party”, and regard, as appropriate, purchase, sale, or delivery of materials, raw materials, parts, prefabricated elements, products or devices, hereinafter referred to as “goods” by the entity hereinafter referred to as “the Supplier”.

2. Order number shall be indicated on notification of delivery, invoice, inventory issue document, acceptance report, and any other documents of the transaction.

3. Purchase order, referred to in clause 1.1, shall place for the Ordering Party only an authorized person. Orders placed by unauthorized persons shall not have legal effect and shall not be valid.

### **2. DELIVERY TERM**

2.1 Delivery terms are defined in the order and shall mean the date when the goods are delivered to delivery place indicated in the order. The said terms shall be strictly followed.

2.2 In the case delivery term may not be met, the Supplier is obliged to inform in writing on the expected delay and its reason. Failure to provide the said information or providing the said information from which it may result that the delivery may not be executed timely may be the basis for the Ordering party to withdraw from the order, which shall result in consequences defined in clause 3.5 of these General Terms of Purchase.

2.3 The Ordering Party reserves the right to withdraw from whole or part of the order which is not executed within the term defined in the order without any obligation to pay damages. At the same time, the Ordering Party reserves the right to claim damages from the Supplier due to improper execution of the order pursuant to general provisions provided for in the Polish civil Code, and to claim for reimbursement of costs incurred due to substitute execution of the order.

### **3. DELIVERY TERMS**

3.1 The ordered goods shall be delivered by the Supplier to the destination place indicated in the order. Delivery may be refused if it is not accompanied by the document issued by the Supplier and consisting of the order number, specification of the goods that have been sent, quantity, details of the packaging, weight, and the acceptance place, if indicated in the order, as well as attests, certificates, and warranty cards.

3.2 The Supplier shall be responsible for damages resulting from any delay, loss, or damages caused due to improper marking, packaging, or identification of the shipment.

3.3 Goods shall be considered delivered under terms of delivery and transfer of risk of accidental loss or damage to goods from the Supplier to the Ordering Party at free of defects, documented acceptance of the delivery object by the Ordering Party in the agreed destination. 3.4 The Ordering Party may return to the Supplier at his cost and risk ant shipment delivered before the delivery term or to charge the Supplier with adequate storage costs. Risk of damage or loss shall be borne by the Supplier.

3.5 Liability for failure to execute or improper execution of the order in form of contractual penalties is agreed in the following cases and shall be amounted as follows: The Supplier shall pay the Ordering party contractual penalties:

3.5.1 for withdrawal from execution of the order by the Ordering Party due to reasons for which the Supplier is responsible, or by the Supplier due to reasons for which the Ordering party is not responsible – in the amount of 10% of the value of the delivery object.

3.5.2 for exceeding the delivery date – in the amount of 0.6% of the value of the order for each day of exceeding the said term, which shall also apply to intermediate terms.

3.5.3 for delay in removal of defects found at acceptance of the order object or within the warranty or guarantee period – in the amount of 0.4% of the order value for each day of delay calculated from expiration of the date defined by the Ordering Party for removal of defects.

3.6 The Ordering party shall be entitled to deduct the penalties from consideration of the Supplier.

3.7 If the Supplier delays execution of the object of order, or fails to fulfill the obligation defined in clause 2.2 of the General Terms of Purchase, the Ordering Party may exercise one or more of the following rights without the necessity to resign from imposing the contractual penalty or supplementary damages, and may:

3.7.1 demand to execute the order in whole or partially

3.7.2 make purchase at another supplier at costs and risk of the Supplier 2

3.7.3 withdraw from the order due to reasons for which the Supplier is responsible without granting the additional term, which shall be done under written notification of the Supplier. 3.8 If the contractual penalty does not cover the damage, the Ordering Party may claim supplementary damages under generally valid provisions.

4. GUARANTEE AND WARRANTY Executing the order, the Supplier grants the guarantee and warranty for the delivered goods for the period indicated in the order.

4.1 Guarantee period is valid for the period and since the date indicated in the order. The guarantee liability is compliant with provisions of the Polish Civil Code. The Ordering Party may inform the Supplier on defects found in the delivered goods. Defects found at the delivery and within the guarantee period shall be removed by the Supplier within the time frame indicated by the Ordering Party. The Ordering Party reserves the right to return any defective goods at the expense of the Supplier, or to demand their replacement. The Supplier shall use any effort to ensure replacement or repair of defective goods at his own expense with due diligence. If the Supplier fails to remove the defect he was notified about within the defined term, the Ordering party may remove the defect for the Supplier at his expense following written notification to the Supplier. The above provision shall not violate rights of the Ordering party as regards contractual penalties, supplementary damages, or suspension of payments for invoices of the Supplier, as well as shall not release the Supplier from liability under the guarantee. The Supplier shall provide the Ordering Party with the guarantee card latest at delivery of the object of order.

4.2 Regardless of the rights resulting from the guarantee, the Supplier shall be held liable to the Ordering party for warranty under provisions of the Polish Civil Code.

5. PRICE Prices indicated in the order are fixed and shall not be subject to changes, and cover goods delivered to the defined destination at the expense of the Supplier.

6. OBJECT OF DELIVERY Object of delivery shall be executed in compliance with the wording of the order, valid standards and regulations, which shall be proven by the Supplier with required documents, attests, and certificates along with delivery of purchased products.

7. PAYMENT TERMS Provided compliance of the delivered goods and invoices with specification and clauses of the order, payments shall be made by the Ordering Party by transfer to the bank account of the Supplier indicated on the invoice within term defined and indicated in the order commencing on delivery of the invoice along with the report of faultless acceptance of goods to the seat of the Ordering Party, unless otherwise agreed in writing. The report of faultless acceptance, inventory issue document or consignment note signed by representative of the Parties shall be the basis for issuance of invoice.

## 8. CONFIDENTIALITY

8.1 Any and all information resulting directly from these General Terms and Conditions, as well as information obtained by the Supplier in connection with execution of the order, in particular any organizational, commercial, and technical information of the Ordering Party which are not in public domain, shall be considered as confidential by the Parties and shall not be disclosed to third parties. The said obligation shall not regard an event where obligation to reveal information result from valid provisions of law

8.2 The Supplier undertakes in particular treat as confidential any information regarding trade exchange, prices, deductions, products specification, logistics arrangements, technological data or else the Ordering Party may withdraw from the order due to reasons for which the Supplier is responsible.

8.3 The Supplier declares that he will not use confidential information for purposes different than execution of the order, and that he will ensure protection proper for confidential nature of such information. Obligation to keep information in confidence shall remain valid following order execution, and may be cancelled only under written approval of the Supplier or else shall be null and void.

## 9. ADDITIONAL PROVISIONS

9.1 Should the scope of the order be extended, the Supplier shall deliver additional goods or substitute goods under commercial terms applicable at execution of a given order (unit prices, discounts). The Ordering Party reserves the right to return the part of the object of order or limitation of its scope. Any possible return of the part of order or limitation of its scope shall be made applying unit prices adopted at execution of a given order.

9.2 The Supplier shall release the Ordering Party from any liability for any claims of third parties in connection with goods, parts, and materials delivered under the patent, license, or registered designs. In the case of proceeding pending in relation to such claims, the Supplier shall, at his own expense, ensure direct protection of the Ordering Party. 3

10. DISPUTES To any matters not settles by these General Terms of Purchase, only provisions of the Polish law, in particular Polish Civil Code, shall apply excluding the UN Convention on Contracts for the International Sale of Goods (CISG) of 11 Aril 1980. In the case of dispute regarding interpretation or execution of the order and these General Terms of Purchase, which cannot be settled amicably by the Parties, the competent body for their settlement shall be the common court at the territory of the Republic of Poland.

## 11. FINAL PROVISIONS

11.1 The Supplier, without previous written approval of the Ordering Party, shall not be entitled to transfer or to impose any rights resulting from execution of the order to another person.

11.2 These General Terms of Purchase shall be an integral part of the order placed at the Supplier by the Ordering Party and shall prevail over other general terms of for example the seller. In the case of any conflict or discrepancy, wording of the order shall prevail.

11.3 Any and all amendments and supplements to General Terms of the Purchase shall be made in writing or else shall be null and void.

Częstochowa, 21.12.2015