

GENERAL TERMS OF PURCHASE

ALUFORM Sp. z o.o.

§ 1.

General Provisions

1. These General Terms of Purchase (hereinafter referred to as "GTP") shall apply to all purchase agreements concluded by Aluform Sp. z o.o. (hereinafter referred to as the "Buyer"), regardless of the manner in which the agreement is concluded.
2. The general terms of the Seller are explicitly excluded. The exclusion of the Seller's general terms comprises also the exclusion of provisions related to the guarantee provided by the Seller, if the terms of the guarantee are different from the GTP, as well as provisions included in offers which contradict the contents of these GTP.
3. The exclusion of these GTP in whole or in part may take place solely by way of agreement between the parties.
4. The Buyer declares that it is a major entrepreneur within the meaning of the Act of 8 March 2013 on Counteracting Excessive Delays in Commercial Transactions (consolidated text in Journal of Laws of 2019, item 118, as amended). The declaration comes into force on 1 January 2020.

§ 2.

Method of Sales Agreement Conclusion

1. The Seller's offers are prepared on the basis of the Buyer's inquiries, which may be filed in any form. In their offer, the Seller shall present the quantity and price of goods as well as the delivery date. By way of submitting an offer, the Seller confirms the acceptance of these GTP, unless the Seller explicitly reserves when submitting the offer that they do not accept the GTP in whole or in part.
2. If the use of goods being the object of the inquiry requires the fulfilment of additional conditions which do not usually apply to similar goods of the same kind (specifically the principles of the goods use specified by the manufacturer), or if special conditions of the goods storage are required, if needed for maintenance of properties by the goods, the Seller shall inform the Buyer about that at the stage of submitting the offer. Absence of such information means that no special requirements or limitations in use or storage apply to the goods.
3. The Buyer's order is a declaration on accepting the Seller's offer. Specification by the Seller of additional terms or reservations, which have not been foreseen by the parties, following the filing of an order by the Buyer is ineffective, except for the case specified in § 2.5 of the GTP.
4. After the order receipt, the Seller is obliged to check its compliance with the inquiry and the offer. Any discrepancies between the order and the inquiry or offer must be immediately reported to the Buyer, however, not later than within two business days.

5. If the Buyer's order differs from the Seller's offer, the Seller is obliged to report their reservations regarding the contents of the Buyer's order within 3 days. Otherwise, it shall be deemed that the Seller has accepted the sales conditions provided in the Buyer's order.
6. The Buyer may withdraw the order without a need of covering any costs within 7 days of the date of filing the order. After that period, the Buyer may withdraw the order in exchange for payment of 5% of the order value, however, not more than PLN 1,000 (a compensation for loss of contract).

§ 3.

Delivery

1. The goods will be delivered to the Buyer's seat at the date specified in the order, at the cost and risk of the Seller.
2. If the place of the goods delivery shall be other than the Buyer's seat, § 3.1 applies accordingly.
3. The goods shall be unloaded at the cost and risk of the Seller, unless the parties agree otherwise. The ownership of goods is passed to the Buyer at the moment of completing the goods unloading.
4. Following the unloading completion, the Buyer shall check the condition of the goods packaging. If the packaging reflects any visible damage, the Buyer shall prepare a photo documentation and check the external condition of the goods. The Buyer shall not be obliged to do any other checks of the goods post unloading. The Buyer is not obliged to receive damaged goods, however, receipt of damage goods does not mean the acceptance of the goods and does not result in a loss of rights under the warranty or guarantee.
5. If after the packaging opening it appears that there are goods which have not been ordered or quantities of goods exceeding the ones ordered, the Buyer may send back the excess goods or the non-ordered goods back at the cost and risk of the Seller.
6. If following the opening of the shipment it appears that there are less goods than ordered by the Buyer, the Buyer shall immediately prepare a report and inform the Seller about that. By the moment of supplementing the missing quantity of the Goods, the Buyer shall be obliged to pay the price equivalent to the value of the actually delivered goods.
7. The goods shall be accompanied with the instructions for use in Polish, a guarantee and quality certificate, as well as CE certificate, if applicable. The issue of the guarantee documents and the quality certificate is deemed to be the Seller's assurance with regard to the goods quality. The Seller waves the claim of late complaint or absence of inspection at receipt.
8. In the event of importing goods, the Buyer may also claim the provision of information about the country of the goods origin and destination, as well as any other information needed for availing of preference customs duties or completion of customs formalities. The Buyer may also claim submission of documents confirming the origin and destination of the goods.

§ 4.

Payments

1. The price reflected in the order covers all of the costs related to the delivery of goods, including the costs of packing and transport.

2. Payment will be made based on a properly issued VAT invoice. Apart from fulfilling the requirements of the generally binding laws, the VAT invoice should refer to the order filed (date and number). Moreover, it should also include a note regarding a ban on assigning the amounts receivable covered by the VAT invoice.
3. The Buyer is entitled to withhold payment, if:
 - a) the goods reflect major defects, preventing or significantly hindering the use of the goods in accordance with the normal use or the application assumed by the Buyer; the period specified in § 4.1 starts running anew after the goods replacement or repair;
 - b) the invoice is not issued in accordance with the requirements of § 4.2, second sentence.
4. Payment will be made in the currency identified in the order, whereas the Buyer may make the payment in Polish zlotys (PLN).
5. The Buyer may set off any amount due to them from the Seller against the amounts due to the Seller.
6. If the Buyer is obliged under the generally binding law to pay customs duties or complete customs formalities related to the import of goods, and the arrangement between the parties provides for the costs coverage by the Seller or for handling of the formalities by the Seller, the Buyer is entitled to deduct the costs incurred by them from the amounts due to the Seller.

§ 5.

Guarantee

1. The Seller guarantees that the goods comply with the Buyer's specification, including particularly with the technical standards, dimensions and other parameters identified by the Buyer, that they are fit for safe use, normal use for which such types of goods are usually purchased, and for any special purpose for which the goods have been acquired, if the Buyer has previously informed the Seller about that purpose.
2. The Seller guarantees, moreover, that the goods are free of any defects, including design, material, workmanship, or legal defects.
3. The seller guarantees that the delivery of goods does not breach any patent laws or other laws of intellectual property of any entity.
4. The guarantee is provided for 24 months. In that period the goods should retain all of the properties they had at the moment of release, except for the defects resulting from normal wear and tear. The defects resulting from normal wear and tear are ones which are normally present in goods of the same type and the same quality as the goods covered with the order, considering for the use identified in the order, and in the absence of the identification, in consideration of the normal use. The Seller may not refer to improper use, if it results from incompleteness, faultiness or ambiguity of the provided instructions for use.
5. Within the guarantee the Buyer may claim at their discretion:
 - a) a repair of the goods;
 - b) a replacement of the goods with new ones or replacement of the damaged part;
 - c) adequate price lowering;
 - d) withdrawal from the agreement.
6. Any claims should be considered within 7 days of the date of report. A claim (for repair or replacement) should be fulfilled within 14 days of the date of report.

7. In the event of repair, if the method of repair selected by the Seller has not been effective within the period specified above, and there is a need for another repair, or it is probable that the method shall not bring the expected effect, the Buyer may claim a change of the method of repair, replacement of the goods or the defective part, claim price reduction, or withdraw from the agreement.
8. If the defective goods may be partially but safely used, specifically due to the fact that the performance parameters required by the Buyer have not been achieved, or if the goods are released incomplete, the Buyer may use the goods in limited scope, unless the Seller objects to such use in writing. Such use does not mean that the goods have been considered to be compliant with the agreement, or that their defects have been accepted, and does not lead to a loss or limitation of any of the Buyer's rights.
9. In case of withdrawal from the agreement, the Seller is obliged to pay a contractual penalty worth 10% the value of the goods. The payment of the contractual penalty does not exclude the possibility of claiming supplementary damages on general principles, if the value of the contractual penalty fails to fully compensate the loss incurred by the Buyer. The contractual penalty is recognised against the due damages.
10. Granting a guarantee does not exclude or limit the other rights of the Buyer, including specifically the rights under the warranty.

§ 6.

Liability

1. Unless otherwise specified in these conditions or in a separate agreement, the liability of the Seller is regulated by the provisions of the applicable law.
2. The Buyer may claim contractual liability amounting to:
 - a) 0,5% of the order value, however, not less than EUR 100 for each day of delay in the performance of the duties resulting from the order agreement, and not more than 15% of the order value;
 - b) 10% of the order value in the event of withdrawing from the agreement due to the reasons for which the Seller is liable.
3. The release of defective goods is treated as equal with a delivery delay. In such case the delay period counts until the moment of the defects removal.
4. The provision regarding contractual penalties does not apply if the order value is lower than EUR 1,000.
5. The Buyer may claim the payment of damages on general principles, if the value of the reserved contractual penalties is not sufficient to fully compensate the loss incurred by the Buyer (the costs of downtimes, contractual penalties charged by the contractors, lost profits). The contractual penalty is recognised against the due damages.
6. If a third party raises a claim against the Buyer, which results from or is related to the purchase of goods under an order (e.g. legal defects of goods, infringement of the sole rights of third parties), the Seller is obliged to immediately undertake actions for the purpose of releasing the Buyer from liability (conciliation agreement with the third party or resolution of dispute at court) and reimburse any costs incurred by the Buyer in relation to the satisfaction of claims of the third party (e.g. costs of adjudicated damages) and repair any losses incurred by the Buyer (e.g. expert's fees and costs of expert opinions, consulting and legal fees). If a third party files a lawsuit against the Buyer, the Seller is obliged to join the pending proceedings within the limits set out by law (e.g. secondary intervention).

7. Moreover, if a third party is granted a verdict providing for temporary or permanent ban on the use of the goods, the Seller is obliged, at the request of the Buyer, to deliver replacement goods which have at least the same properties as the goods for which the ban has been imposed.

§ 7.

Confidentiality

1. The Seller is obliged to keep confidential any information received by them directly or indirectly from the Buyer, regardless of whether the information is the Buyer's trade secret or not (hereinafter referred to as 'confidential information').
2. The Seller shall treat confidential information as if their own trade secret. However, if the confidential information comprises any financial, technical or engineering data, the information may be disclosed solely to those employees whose engagement is essential for the performance of the agreement with the Buyer. Any disclosure of the information to other people, including subcontractors, suppliers of tools, or advisers, requires a written consent of the Buyer in that regard.
3. The Seller is obliged to notify the Buyer about any claims of third parties or state authorities for the disclosure of confidential information, as well as obtaining confidential information from third parties.
4. Confidential information should be returned or destroyed immediately at any claim of the Buyer. The duty does not refer to the information which must be stored for the performance of duties under the generally binding laws, or as a proof of the proper performance of duties in relation to the Buyer.

§ 8

Sanctions

1. The Seller commits to abide by the regulations imposing economic sanctions passed by Poland, European Union, Great Britain, USA, United Nations, or country in which the Seller has its registered office or place of business; the commitment refers also to entering into contractual relations with entities on which sanctions were imposed based on the aforesaid regulations.
2. Moreover, the Seller commits to immediately notify the Buyer about:
 - a) instigation of proceedings with regard to imposing economic sanctions against the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, or United Nations;
 - b) instigation of proceedings with regard to breaching the regulations imposing economic sanctions against the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, United Nations, or country in which the Seller has its registered office or place of business;
 - c) imposing economic sanctions on the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, or United Nations;
 - d) imposing penalties for breaching the regulations imposing economic sanctions, including international sanctions imposed by the country in which the Seller has its registered office or place of business, on the

Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner.

3. Depending on the agreement, the Buyer reserves the right to withdraw from the agreement binding between the parties in whole or in part, or to terminate the agreement with immediate effect if:
 - a) economic sanctions are imposed on the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, or United Nations;
 - b) penalties for breaching the regulations imposing economic sanctions, including international sanctions imposed by the country in which the Seller has its registered office or place of business, are imposed on the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner;
 - c) economic sanctions are imposed on the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, or United Nations;
 - d) proceedings with regard to breaching the regulations imposing economic sanctions are instigated against the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, by Poland, European Union, Great Britain, USA, United Nations, or country in which the Seller has its registered office or place of business;
 - e) the Seller or their beneficial owner, or any entity within the ownership structure between the Seller and the beneficial owner, try to bypass the regulations imposing economic sanctions adopted by Poland, European Union, Great Britain, USA, United Nations, or country in which the Seller has its registered office or place of business.
4. A beneficial owner is understood to be any physical person having direct or indirect control over the Seller by way of the rights possessed and resulting from legal or actual circumstances, which enable exerting a decisive influence on the activities or actions undertaken by the Seller, or any natural person, on behalf of whom the economic relations are established or an ad-hoc transaction is carried out.
5. Sanctions are understood to be any limitations imposed by countries or international organisations resulting in a ban on entering into certain transactions, making financial transfers, importing or exporting, limits in travelling, or freezing assets.

§ 9

Final provisions

1. Any assignment of the rights of the Seller under the agreement binding the Parties requires the Buyer's consent. The Seller commits to include information on the receivables assignment ban in any of the issued invoices. The limitations referred to in § 9.1.1 do not apply in case of assignment of the claim for payment if the Buyer fails to make payment at the date determined by the Parties.
2. Any assignment of the rights and duties of the Seller under the agreement that binds the parties requires a consent of the Buyer. The Seller is obliged to provide a note regarding a ban on assigning the amounts receivable in each of the invoices issued. Absence of the note justifies payment suspension by the time of serving a correctly issued VAT invoice.

3. Failure on the part of the Buyer to avail of a right vested in them or non-enforcement of a breach of the agreement shall not be treated as a waiver of the right, acceptance of the breach or implied agreement amendment.
4. In any matters which have not been regulated by these GTP, the provisions of the Polish laws apply. For the avoidance of doubt, if the Seller's registered office is in another country, the provision is treated as the governing law clause.
5. The court competent to resolve any disputes between the parties is the court having jurisdiction over the Buyer, whereas the Buyer reserves the right to file a lawsuit against the Seller at a court having jurisdiction over the registered office of the Seller. The clause applies to any disputes, regardless off the legal basis for the claims reported.