

## **GENERAL TERMS AND CONDITIONS OF COOPERATION WITH SUPPLIERS OF GOODS AND SERVICES TO PACCOR POLSKA SP. Z O.O.**

### **§ 1. GENERAL PROVISIONS**

1. These General Terms and Conditions of Cooperation with Suppliers of Goods and Services to PACCOR POLSKA Sp. z o.o. ("GTCC") form an integral part of each agreement referred to in section 1 of this paragraph ("Agreement") in which PACCOR POLSKA Sp. z o.o. ("PACCOR") with its registered office at: 41-100 Siemianowice Śląskie, ul. Budowlana 6, is the recipient.
  2. All agreements to which PACCOR is a party, and which regulate the sale and supply of goods ("Goods") for PACCOR or any other agreement of the same or similar nature, as well as provision of services by third parties ("Suppliers") (for the sake of clarity hereinafter jointly referred to as "Supply") shall be subject to these GTCC, unless PACCOR and the Supplier ("the Parties") agree otherwise in writing, stipulating specific conditions amending these GTCC.
  3. The GTCC are also available at the PACCOR website; <http://www.PACCOR.com/about-us/general-terms-and-conditions/>
  4. All template agreements, general terms and conditions of contracts or other similar documents, adopted by the Supplier for the purpose of supply contracts or other agreements of similar nature shall be excluded.
  5. The Supplier agrees to familiarize with the provisions of the following documents: .PACCOR Ethics of Business as posted at PACCOR <http://www.PACCOR.com/about-us/general-terms-and-conditions/>
  6. All supplies of goods and services are made solely against contracts and/or orders made on the basis of Suppliers' proposals/quotations, of which the following GTCC shall be an integral part.
  7. These GTCC shall apply unless an agreement with a Supplier provides otherwise.
- quality, net price (per unit and aggregated), packaging, as well as valid term of a proposal. The proposal whose term of validity is shorter than 30 days shall, as a rule, not be taken into consideration by PACCOR.
2. The samples provided by the Supplier shall be free of charge and delivered at the Supplier's expense.
  3. The Supplier must not subcontract his obligation under an order to a third party (subcontractor) without PACCOR prior explicit consent in writing in this respect, identifying the subcontractor and the scope of subcontracted work at least 14 days in advance. If PACCOR provides the consent, the Supplier shall be liable for actions and omissions of the subcontractors in the same manner as for his own actions and omissions.
  4. PACCOR may disregard any proposal without providing a reason, and conclude a supply contract without selection of a proposal.
  5. The Agreement shall be concluded between the Parties subject to the conditions stipulated in these GTCC by way of placement of an order for Goods by PACCOR and confirmation of its acceptance by the Supplier in the manner provided for in §2.
  6. Goods shall be supplied against written order placed by PACCOR with the Supplier (which can be submitted by facsimile or electronic mail). In a separate agreement, the Parties shall provide the personal data and contact details of individuals authorized by PACCOR to place orders for the Goods as well as those authorized by the Supplier to accept the same and to confirm order acceptance. An order shall each time specify the type of goods or service, quantity, measurement unit, required availability date and place of delivery.
  7. An order shall each time specify the type of goods or service quantity, measurement unit, required availability date and place of delivery.
  8. Each order placed by PACCOR shall be designated with a separate identification number which the Supplier shall refer

### **§ 2. ORDERS**

1. Supplier shall submit their prospects/quotations free of charge, in writing, specifying as a minimum: quantities,

to in any correspondence exchanged with PACCOR with respect to the order, in particular in Supplier's delivery documents, invoices and proof of delivery.

9. The Supplier shall verify the accuracy of order content in terms of its full completion within the agreed deadline. Where the Supplier explicitly or impliedly accepts the order, it shall be deemed that the Supplier considered the content of the order as sufficient and unquestionable in which case the Supplier shall not be entitled to assert any claim against PACCOR in this regard.
10. The Supplier shall confirm in writing acceptance and date of completion of each order (which can be done by facsimile or email) within 2 days of receipt of the order from PACCOR. If no response is received from the Supplier within said deadline, it shall be deemed that the Supplier accepted the order in total, subject to the rules specified by PACCOR therein.
11. Confirmation of order acceptance by the Supplier shall mean that the Supplier approves these GTCC and additional agreements, if any.
12. PACCOR shall be entitled to modify the contents of the order submitted to any extent, not later than by the day preceding dispatch by the Supplier of the Goods under the order. Modification shall not be treated as non-performance or inadequate performance of the Agreement. PACCOR shall also be entitled to resign from the ordered delivery in total or in part before receipt of confirmation of its acceptance from the Supplier, or before the deadline for receipt such a confirmation and also within 2 days of receipt of said confirmation from the Supplier.
13. The Supplier shall inform PACCOR of the status of completion of each order within the time limit and in the form specified by PACCOR.
14. If the Supplier presents conditions of delivery of the Goods different from the ones specified in the order, they shall be deemed accepted by PACCOR only after their confirmation by the individual authorized by PACCOR, in accordance with the procedure specified for order placement.

### **§ 3. DELIVERY**

1. A delivery should be completed subject to the terms and conditions stipulated in the accepted order with respect to the subject of delivery, quality, quantities, price, dead line for completion and place of delivery.
2. The deadline for delivery is specified in the order accepted explicitly or impliedly.
3. The Supplier shall unconditionally abide by the deadline for delivery. If the Supplier considers that he is not in a position to meet the deadline agreed under a confirmed order, he shall promptly notify PACCOR of this fact, providing reasons

for the delay or default and its anticipated duration. If no such information (notice) is provided, or if, as a result of prolonged delay, COVEIS is no longer interested in delivery, PACCOR shall be entitled to withdraw from the agreement in part or in total and contract the completion of the unfinished order to another supplier.

4. Where Supplier is in delay of completion of a service or delivery of goods, the Supplier shall pay to PACCOR a contractual penalty of 0,5% of remuneration for the service/goods ordered per each commenced day of the delay in completion of a service / delivery of goods. The fact of charging the contractual penalty shall not limit or exclude other PACCOR's rights under the agreement or legal regulation, in particular the right to claim additional compensation, if the damage exceeds the amount of aforesaid contractual penalty, in accordance with the provisions of the Civil Code, and it shall not prejudice PACCOR's right to withdraw from the agreement. The aforesaid shall not apply in case the delay is attributable to PACCOR or to force majeure.
5. Deliveries shall be made to the place specified by PACCOR in the order of the Supplier's expense and risk (DDP named place of destination, according to INCOTERMS 2010), unless the order provides otherwise.

### **§ 4. PROOF OF DELIVERY**

1. Goods delivery shall be documented by the goods dispatch note (PL: WZ) made in three identical originals. The dispatch note shall specify in particular:
  - The date of goods release from the Supplier's warehouse,
  - PACCOR order number,
  - Specification of the sort of goods supplied in the layout consistent with PACCOR order,
  - PACCOR article number,
  - quantity of goods supplied,
  - quantity of returnable packaging.The dispatch note must not specify the price
2. The delivery notes shall encompass the confirmation of goods delivery acceptance with a legible signature and stamp of PACCOR employee receiving the delivery of goods, specifying the date of goods acceptance, quantity of goods received and quantity of returnable packaging received. The Supplier shall be obliged to obtain an acknowledgment of delivery acceptance in the above form and in case of the complaint, he shall bear the effects of a failure to obtain the same. If the goods are delivered to PACCOR by a carrier, it is the carrier's duty to obtain said acknowledgement.
3. The Parties agree that the costs of packaging and dispatch of Goods shall be on the Supplier. If PACCOR has to incur any costs in this respect, the Supplier shall reimburse the

same at PACCOR request. or else said costs shall be settled as agreed by the Parties. Additionally, it is agreed that the activity and cost of Goods unloading in the place of delivery identified in the order shall be on PACCOR.

4. A proof of completion of a service ordered shall be the service acceptance certificate (protocol) signed by the individuals authorized by PACCOR and the Supplier.

#### **§ 5. INVOICES FOR GOODS DELIVERED OR SERVICE PROVIDED**

1. In consideration or adequate and timely completion of the subject of Agreement, PACCOR shall pay to the Supplier the price for the goods supplied or remuneration for service provided within the deadline agreed between the Parties, against an accurately issued VAT invoice.
2. As a minimum, the invoice shall specify:
  - Address of PACCOR registered place of business and the following information:  
PACCOR Polska Sp. z o.o.  
ul. Budowlana 6  
41-100 Siemianowice Slaskie
  - Taxpayer's Identification Number NIP: 549-00-22-619
  - PACCOR order number,
  - PACCOR article number,
  - Name of goods delivered or service provided, Quantity,
  - Price,
  - The data required by the provisions of the Act on Goods and Service Tax (VAT Act).
3. The layout of the assortment of goods specified in the invoice should be consistent with the sequence of goods and services as specified in PACCOR order, in accordance with the delivery note referred to in §4 of these GTCC.
4. If the invoice is not compliant with the requirements stipulated in sec. 1, 2 and 3, and in particular where the invoice price is inconsistent with the price valid as at the date of the order, the quantities of goods specified in the invoice are non-compliant with the quantities actually supplied or no PACCOR order number is identified, the payment of the invoice shall be refused. PACCOR shall inform the Supplier in writing of the fact of non-compliance of the invoice contents and shall apply for an adjusted invoice or adjustment note thereto.

#### **§ 6. QUANTITY AND TOLERANCES**

1. For certain assortment groups deliveries can be made subject to quantity tolerances of +/- 5% (unless specific terms and conditions agreed with the Supplier provide otherwise) with respect to the ordered quantity. The decision of acceptance of such delivery shall be taken by PACCOR with no obligation to provide reasons for it.

2. PACCOR reserves the right to return unused quantity of Goods, exceeding agreed quantity tolerance, at the Supplier cost. The Supplier will issue adjustment invoice for the quantity of returned Goods.

#### **§ 7. TERM OF PAYMENT**

1. The time limit for payment is counted from delivery to PACCOR of a VAT invoice issued accurately in terms of requirements regarding its content and formal consideration.
2. Payment for the goods supplied or services provided shall be made against an invoice received by PACCOR, in compliance with the requirements stipulated in §5 within minimum 60 calendar days where PACCOR shall make payments twice a month (invoices to be paid by day 14 will be paid on the 15th day of the month, and invoices to be paid by day 29 shall be paid on the 1<sup>st</sup> day of the following month).
3. In the situation described in §5.4, the payment term shall be automatically extended and shall be counted from the date of receipt by PACCOR an accurate invoice, adjusted invoice or an adjustment note.
4. The Parties agree that the payment date shall be the date of debiting PACCOR bank amount with the amount due.
5. PACCOR shall be entitled to suspend payment of the entire or part of the price until the Supplier makes a timely and defect-free delivery of the Goods, in particular where the Parties have opened a complaint procedure referred to in §8 below. In this situation PACCOR shall not be in delay or default of payment of the price.

#### **§ 8. PRICE**

1. The price being the basis for the order shall be fixed prices to the named place of delivery and shall include the costs of transport and packaging, unless the order or the agreement provide otherwise.
2. Where no price is identified in order, the Supplier shall apply the price agreed with PACCOR and in the other situation – the lowest market price.

#### **§ 9. QUALITY/ CLAIMS I GUARANTEE**

1. The Supplier represents and assures that the goods supplied or services provided shall be free of any physical defects and shall display the properties agreed by the Parties. A service shall be performed in accordance with the latest know-how.
2. The quality and identification of the goods supplied shall comply with current standards, legal regulations in force as well as the requirements stipulated in the order and these GTCC.
3. The Supplier shall obtain all the permits, license and other documents required by law to obtain marketing authoriza-

- tion for the goods. Copies of the aforesaid documents shall be provided by the Supplier to PACCOR at the latter's request within 3 business days of such request.
4. Goods shall be accepted subject to the right to carry out a subsequent inspection. Delivery confirmation document signed by PACCOR does not confirm of the quality approved status or the delivery.
  5. In case or reasonable doubts as to the goods/service compliance with the requirements of law or mutual agreement. PACCOR shall be authorized to have the subject of agreement examined by an independent expert at the Supplier's expense. PACCOR shall notify the Supplier of the intention to carry out the expert's examination at least 48 hours before placing the relevant order for the examination.
  6. With respect to goods/service subject to guarantee, the Supplier shall supply the relevant guarantee documents together with the goods.
  7. The Supplier shall bear the costs related to guarantee repairs and repairs done under warranty.
  8. PACCOR reserves the right to return the goods:
    - a. of bad quality,
    - b. non-compliant with the legal requirements, current standards, decisions resulting from mutual agreements or models provided,
    - c. non-compliant with approved samples, catalogues, specifications, designs, or Supplier's guarantee declarations.
    - d. packed in a way incompliant with the conditions of the order,
    - e. not meeting the conditions specified in §9 point 1, 2, 3.
    - f. not delivered timely.
  9. PACCOR reserves the right to refuse acceptance of the delivery if, at the time of delivery, 25% of the useful life or goods has lapsed.
  10. PACCOR shall be authorized to notify the defects in the goods supplied / services provided, in particular missing quantities in collective packaging, physical defects to unit packaging, physical defects in the goods or movable objects, within 12 months of the date of delivery. The above shall not apply to hidden defects which may be reported at any time, also after the aforesaid deadline has lapsed, within 21 days or the date of defect finding.
  11. In the situation described in section 8. PACCOR shall notify the Supplier of the deadline for collection of goods. If the deadline ends ineffectively, PACCOR shall deliver the goods subject to complaint to the Supplier at the latter's expense. Both collection of goods by the Supplier or delivery of goods back to the Supplier shall be made at the Supplier's expense.
  12. The Supplier shall consider PACCOR complaint within 14 calendar days of receipt of a complaint document and send the reply to PACCOR registered address. Failure of the Supplier to respond to complaint shall be considered as its admission. PACCOR shall have the right to select the procedure to which it is entitled due to goods / services subject of complaint e.g. (1) supply or the missing quantity together with the subsequent delivery or (2) supply of the missing quantity of Goods at PACCOR specified date, defined in complaint notification or (3) issue of an adjusted invoice within the required time. The selection or the manner of procedure shall be PACCOR side and shall be indicated to the Supplier.
  13. In case the Supplier fails to collect the defective goods within the specified deadline and fails to consider the complaint, PACCOR shall send the goods back to the Supplier at the latter's cost.
  14. The costs generated in connection with non-compliant goods / services shall be presented to the Supplier together with the calculation of the lost profits.
  15. The Supplier shall be liable for defects found in the final process or resulting from his actions, or defects existing in the supplied goods/services unless such defects are the result of PACCOR's actions or exclusive fault.
  16. The fact of charging costs as a result of defects in the goods shall not limit or exclude PACCOR other rights under the agreement or provision of law, and in particular the right to assert additional compensation where the damage exceeds the amount of the aforesaid contractual penalty, in accordance with the provisions of the Civil Code, and it shall not prejudice PACCOR's right to withdraw from the Agreement. The aforesaid shall not apply in case the delay is attributable to PACCOR or caused by force majeure.
  17. In case of service provision, PACCOR shall accept the service within 3 business days of the deadline for their transfer as agreed by the Parties, or receipt of the Supplier's notice of readiness for transfer. Acceptance of completed services shall be confirmed by the Parties in writing or in any other form agreed in the order/agreement. PACCOR shall not refuse service acceptance without a good reason.
  18. Where the aggregate value of an Order exceeds the amount of PLN 50.000 net, or the equivalent thereof in foreign currency, the Supplier shall hold a valid third party liability insurance connected with his business activity throughout the period of cooperation between the Parties, and at least 1 year after its termination.
- #### § 10. FINAL PROVISIONS
1. Where the Supplier, in order to complete the subject of an order, was provided with drawings, sketches, or other auxiliary documents, they may only be used for the intended purpose specified in the order, and access to them may

be provided to third party for this purpose only, and upon PACCOR written consent. The documents shall be PACCOR's property and they shall be promptly returned to PACCOR at the Supplier's expense after completion of the order.

2. The Supplier must not infringe the rights of third parties and in particular the right to a trademark, reserved utility model, tradename, copyrights and patents. The entire liability for infringement of the aforesaid rights shall rest solely with the Supplier.
3. The Parties agree that the Supplier may transfer a debt to be paid to him by PACCOR for the supply of goods to a third party only after PACCOR has provided its written consent to the same.
4. The Parties agree to keep secret all confidential information which they became privy to in the course of cooperation. The above obligation shall remain in force both throughout the term of the agreement and thereafter Confidential in-

formation shall be any information of confidential nature (or deemed to be confidential) whose disclosure to a third party may be professional, business or other nature. Confidential information shall in particular be information about the goods price and the level of turnover between the parties. Disclosure of confidential information may take place if the obligation to disclose the same is stipulated in legal regulation, in the manner and to the extent specified therein.

5. All amendments to the agreement, order or these GTCC shall be made in writing under the pain of their nullity.
6. The relevant provisions of the Polish law shall apply to the extent not provided for in the agreement order or in these GTCC.
7. All disputes resulting from the agreement, order or GTCC shall be resolved by the court competent for PACCOR registered address.



Dyrektor Generalny PACCOR POLSKA Sp. z o.o.