

General Terms and Conditions of Purchase Orders of SORIMEX sp. z o.o. sp.k

Definitions:

GTP – shall mean the General Terms and Conditions of Purchase applied by SORIMEX sp. z o.o. sp. k.

Buyer / Purchaser – shall mean SORIMEX sp. z o.o. sp. k.

Supplier / Seller – shall mean any Polish or foreign entity or an individual whom sells the Product to the Buyer.

Product – shall mean raw material, a commodity or a service purchased under a Contract or a Purchase Order.

Purchase Order – a written Purchase Order placed by the Buyer, including its Employees, understood as a document used to notify a supplier of a demand for goods or services purchased at an agreed price.

1. General Provisions

1.1 These terms and conditions of purchase constitute an integral part of all Purchase Orders or Contracts related to raw materials, goods, and services (Products) placed by the Buyer with the Supplier of the Products.

1.2 The GTP shall apply unless the Purchase Order or the Contract stipulate otherwise.

1.3 Any provisions deviating from the GTP, especially those contained in the terms and conditions of sale of the Seller, shall be binding on the Buyer only to the extent the Buyer has expressly acknowledged the same in writing. Any Purchase Orders/Contracts free from any reservations shall not denote the Buyer's acceptance of any deviating provisions.

1.4 Any detailed terms and conditions related to the type of raw material, commodity or service, the quantity, the place of delivery, as per INCOTERMS 2010, the price and the payment terms shall be stipulated in the Purchase Order/Contract.

1.5 Upon starting the performance of any Purchase Order place by the Buyer, the Seller shall be deemed to have fully accepted both the detailed terms and conditions of the Purchase Order and these GTP.

2. Purchase Order

2.1 No Contract shall be executed unless the Buyer places a Purchase Order.

2.2 No quotation sent by the Supplier shall be considered as a Purchase Order and as such requires no response from the Buyer. The Buyer has no obligation to select the whole range in the quantities stated in the Supplier's quotation and can implement the quotation with partial Purchase Orders.

2.3 The Supplier shall confirm in writing the acceptance of any Purchase Order within 5 working days of receiving the Order. As a rule, electronic communication sent to the specified email address shall be used.

2.4 The written confirmation shall be an e-mail, fax and a paper document sent to the Buyer by the Supplier.

3. Terms and Conditions and Deadlines for Deliveries

3.1 The Supplier should promptly notify the Buyer of any circumstances which may cause a delay to the completion, in whole or in part, of any Purchase Order. The notification needs to specify the reason for the delay and its expected duration. However, the Buyer's acceptance of a delayed or partial delivery of goods shall not be understood as the Purchaser's waiver of any rights (claims) related to the delayed / partial delivery or service performance.

3.2 If the Purchase Order stipulates delivery of the goods to the seat of SORIMEX sp. z o.o. sp. k., including delivery via a courier service ordered by the Buyer, the deadline stipulated in the Purchase Order shall be the deadline for delivery of the goods to the Buyer's address specified in the Purchase Order.

3.3 If the Purchase Order specifies no delivery deadline for the Product, the Seller shall complete the shipment as soon as possible upon a written request of the Buyer.

3.4 The Buyer has the right to withdraw from a Purchase Order if the Purchase Order completion is delayed for more than 7 days. If the delay is concerned only with a part of the Purchase Order, the right of withdrawal from the contract as stipulated in the preceding sentence can be exercised, at the Buyer's option, with regard to that part, the remaining part of the Purchase Order, or the whole Purchase Order.

3.5 A partial completion of a Purchase Order, not previously agreed to and confirmed by the Buyer, shall not be deemed as completion of the contract.

4. Terms and Conditions of Delivery

- 4.1 The Supplier shall enclose the required documents with each delivery, including an invoice for the purchase order. The subject matter of delivery has to be made in accordance with the content of the purchase order and the applicable standards and regulations, which fact will be substantiated by the Supplier with relevant documents, approvals, and certificates provided together with the delivery of the purchased goods.
- 4.2 Any delivery can be rejected if it is not accompanied by a delivery document issued by the Supplier and including the purchase order number, specification of the shipped goods, quantity, details of packaging, weight and place of acceptance, if these were specified in the Purchase Order, as well as any approvals, certificates, and warranty cards.
- 4.3 The Supplier shall be liable for any damages resulting from any delay, loss or damage caused by inappropriate shipment marking, packaging or identification.
- 4.4 Any delivery of ordered goods shall be deemed completed in terms of compliance with the conditions of delivery and passing of risk of accidental loss or damage of the goods from the Supplier to the Ordering Party upon the Ordering Party's fault-free documented acceptance of the subject matter of delivery at the agreed location.

5. Quality

- 5.1 The Supplier shall complete the Purchase Order with due diligence and supply goods compliant with the requirements and conditions agreed between the Parties, these General Terms and Conditions of Purchase Order and any applicable legal regulations and industry-specific standards and norms.
- 5.2 The Supplier ensures that it has the skills, experience as well as any qualifications, licences, and permits required by law as are necessary to complete the Purchase Order, including all and any documents which need to be submitted to Tax Authorities to verify the VAT rate applied to the transaction.
- 5.3 The Supplier warrants that the goods are new, unused and made in compliance with the specification provided by or accepted by the Buyer and are also free from any legal and physical defects (including any material, workmanship, and structural defects).
- 5.4 The Buyer has the right to inspect / check the received goods for compliance with the Purchase Order, in particular with regard to quality, within 30 days of receiving the Purchase Order or its individual parts / batches.
- 5.5 The Buyer shall within the time limit specified under point 5.4 notify the Supplier of the results of the goods inspection and of the reasons for rejecting the whole or a part of the Purchase Order, if such is the case. If no information on the goods inspection is notified within the above time limit, the Purchase Order shall be deemed accepted.
- 5.6 If the whole or a part of the Purchase Order is rejected, the Buyer shall have the right to request the Supplier to replace the goods with goods free from defects, eliminate the defects or reduce the price. If the Supplier fails to comply with the above request within a reasonable time limit allowed by the Buyer (maximum 30 calendar days), the Buyer shall have the right to withdraw from the contract, with no further notice to perform the obligation in question. If necessary, the Supplier shall issue a corrected invoice.

6. Guarantee and Warranty

- 6.1 The Supplier provides a warranty for the goods of 1 year from the Purchase Order completion date, unless the warranty card or other similar document enclosed with the goods provides for a longer warranty term. The Supplier shall provide the Ordering Party with a warranty card at the latest on the delivery date of the subject matter of the Purchase Order. The liability under the warranty is in line with the regulations of the Civil Code.
- 6.2 The Ordering Party shall notify the Supplier of any defects found in the delivered goods. Any defects found upon acceptance and during the warranty term shall be eliminated by the Supplier within the time limit specified by the Ordering Party. The Ordering Party reserves the right to return all the defective goods at the Supplier's expense or request their replacement.

- 6.3 Under the warranty, the Supplier shall promptly and free of charge repair or replace the goods providing goods which are new and free from defects. If the goods are repaired twice without success, the Supplier shall replace the goods with new ones which are free from defects. The cost of transportation of the defective goods to the Supplier under the warranty as well as the cost of transportation of the repaired or new goods to SORIMEX sp. z o.o. sp. k. shall be borne by the Supplier.
- 6.4 If the Supplier accepts a complaint and fails to collect the defective goods from the Ordering Party, all the costs of disposal of the defective goods shall be charged to the Supplier.
- 6.5 Any complaint notified by the Buyer shall be considered by the Supplier within no more than 14 calendar days.
- 6.6 The Supplier shall make every effort to ensure the defective goods are replaced or repaired at the Supplier's expense with due diligence. If the Supplier fails to eliminate any defect within the time limit allowed, the Ordering Party can eliminate the defect instead of the Supplier, at the Supplier's expense, having first notified the Supplier thereof in writing. The above provision neither affects the rights of the Ordering Party to claim supplementary damages and withhold the payment of the Supplier's invoices nor releases the Supplier from the liability under the warranty.
- 6.7 Regardless of the rights under the warranty, the Supplier shall also be liable towards the Ordering Party under the guarantee in compliance with the regulations of the Civil Code, if the Supplier is from the Republic of Poland, and in compliance with the Vienna Convention, if the Supplier is from outside the Republic of Poland. The guarantee term granted by the Supplier shall be the same as the warranty term granted by the Supplier.

7. Changes to Purchase Order. Withdrawal from Contract

- 7.1 All and any changes to the Purchase Order or any annexes to the Purchase Order, including these GTP, once the Supplier has accepted the Purchase Order for completion shall be null and void unless accepted in writing by the Buyer and the Supplier.
- 7.2 If the Supplier is notified by the Buyer about the intention to make changes to the Purchase Order or any annexes to the Purchase Order, in particular concerned with the specification or quantity of goods or the Purchase Order completion deadline, the Supplier shall start good-faith negotiations with the Buyer in order to agree on the conditions of the change which would be acceptable for both Parties.
- 7.3 If the Supplier delivers goods which are non-compliant with the Purchase Order (non-compliant range of products, documents, quality), the Buyer has the right to refuse to accept the same or withhold the payment until the Purchase Order is complete properly in compliance with its terms and conditions.
- 7.4 If the above circumstances occur and the Buyer withdraws from the contract, any advance payment made by the Buyer to the Supplier's bank account shall be promptly refunded by the Supplier to the Buyer's bank account, not later than 7 days of the withdrawal from the purchase contract.

8. Terms of Payment

- 8.1 Any Purchase Order shall be paid against a correct invoice delivered to the Buyer. The invoice should include all the elements required by applicable legal regulations and specify the Purchase Order number and the bank account number for the payment.
- 8.2 The payment term for the Purchase Order is the same as in the quotation sent by the Supplier and accepted by the Buyer and it starts on the date the invoice made out by the Supplier is delivered to the Buyer, however not sooner than the completion date of the Purchase Order. If the Purchase Order is completed in parts, the payment is made corresponding to the completion dates of individual parts of the Purchase Order.
- 8.3 The price is in accordance with INCOTERMS 2010 as specified in the Purchase Order.
- 8.4 The invoice shall be made out in the currency specified in the Purchase Order.

9. Information Confidentiality

- 9.1 The fact that any Purchase Order is placed or completed as well as the content of any Purchase Order and of any annexes thereto is considered confidential information. Neither the Supplier nor the Buyer are allowed to disclose the information to any third parties without a prior written consent of the other party,

unless the information is disclosed to Employees or Partners of the Party to the contract who need to have access to the information to perform the obligations under the Purchase Order.

9.2 The Parties shall consider as confidential any information resulting directly from these General Terms and Conditions of Purchase as well as any information acquired by the Supplier in connection with the performance of the Purchase Order, including in particular any organizational, commercial and technical information concerning the Ordering Party. The confidentiality obligation does not apply to any situation where the obligation to disclose the information is imposed by absolutely applicable legal regulations. The Supplier shall in particular consider as confidential any information concerned with volume of trade, prices and discounts applied, specifications of Products, logistics agreements, technological data, failing which the Ordering Party may withdraw from the Purchase Order for reasons due to the Supplier.

9.3 The Supplier represents that it will not use confidential information for purposes other than performance of the Purchase Order and that it will provide protection for the information as is adequate to its confidential nature. The obligation to keep the information secret shall continue after the Purchase Order has been completed and can be revoked only under a consent of the Ordering Party which will be null and void unless granted in writing.

10. Force Majeure

10.1 Neither the Ordering Party nor the Supplier are liable for delays in performance of their respective obligations under any Purchase Order which are caused by the impact of force majeure circumstances. Force majeure shall be a natural disaster, war, riots, strike, decisions of governmental authorities or other similar extraordinary events, external, beyond the control of the parties, which could neither be foreseen nor prevented.

10.2 The Party invoking force majeure circumstances shall, if possible, promptly notify the other party of the occurrence of force majeure circumstances, specifying the expected duration of the force majeure preventing the performance of the obligations under a Purchase Order.

11. Final Provisions

11.1 The contract between the Ordering Party and a Polish Supplier concluded upon acceptance of a Purchase Order is governed by applicable regulations of the Civil Code. In the event of any dispute over interpretation or performance of a Purchase Order and these General Terms and Conditions of Purchase, which the Parties are unable to solve amicably, the competent body to solve it will be a relevant court in Toruń.

11.2 In case of a Supplier seated outside the Republic of Poland, English will be the language of the contract and the contract will be governed by applicable regulations of the Vienna Convention on the international sale of goods. Any disputes resulting from the application of the Convention are subject to the jurisdiction of the Arbitration Court at the National Chamber of Commerce in Warsaw.

11.3 The Supplier shall indemnify and hold the Ordering Party harmless against any claims of third parties connected with the goods, parts, and materials supplied under a patent, licence, or registered designs.

11.4 Unless the Ordering Party granted a prior written consent, the Supplier is not authorized to transfer to a third party or otherwise burden the rights resulting from the performance of a Purchase Order.

11.5 These General Terms and Conditions of Purchase constitute an integral part of any Purchase Order placed with the Supplier by the Ordering Party. In the event of any conflict or divergence, the content of the Purchase Order will prevail.

11.6 If any of the provisions of the Purchase Order or these General Terms and Conditions of Purchase Order are found unlawful, invalid, or ineffective, the other provisions of the Purchase Order or these General Terms and Conditions of Purchase Order remain fully valid and effective.


SORIMEX
Marcin Sobociński
Prezes zarządu
SORIMEX sp. z o.o. sp. k.