



**LUVENA**

# General TERMS OF Purchase (GTP)

Appendix to Purchase Order

## I. Goods - Purchase Orders

Each delivery must be consistent with a Purchase Order signed by an authorised representative of the Buyer.

The Buyer is entitled to refuse acceptance of goods delivered without written Purchase Order and any costs related thereto shall be borne by the Seller. Acceptance of a Purchase Order for execution should be confirmed in writing by the Seller within 3 days from the date of receipt. Written confirmation can be executed in the form of a paper document, by fax or e-mail sent to the Buyer by the Seller. Confirmation of a Purchase Order shall also mean the approval of these General Terms of Purchase. If a Purchase Order is not confirmed in writing and the execution of the Purchase Order is commenced within the prescribed time, it shall be understood by the Buyer that the Purchase Order has been accepted by the Seller under the terms specified in the Purchase Order and compliant with the General Terms of Purchase.

By accepting this Purchase Order for execution the Seller confirms that the subject-matter of the delivery is consistent with the regulations of the (EC) Regulation No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

## II. Deliveries - transfer of ownership

1. A delivery is considered completed as soon as the goods are delivered in compliance with Incoterms conditions contained in the Buyer's Purchase Order.
2. The Seller is obliged to deliver goods solely during normal working hours of the Buyer's warehouse staff as indicated in the Purchase Order.
3. The Buyer is entitled to refuse acceptance of goods delivered without an invoice or loading document -All documents must contain Purchase Order number and other data related thereto.
4. Transportation costs are specified in purchase conditions contained in the Purchase Order.

## III. Prices

Prices quoted to the Buyer by the Seller, accepted by the Buyer and put on the Purchase Order, are not subject to change after the Purchase Order is placed by the Buyer.

## IV. Payments

Dates and method of payment agreed with the Seller are specified in the Purchase Order conditions.

## V. Delivery dates —Delays

1. Delivery schedule specified in the Purchase Order shall be binding upon the Seller and must be strictly observed by the Seller, both as regards the delivery dates and delivered quantities.

In case of any delay, the Buyer shall be entitled to:

- a) demand change of the means of transportation, with the provision that the Seller covers all costs associated with such change; and/or
  - b) claim from the Seller a contractual penalty of 0.5% of value of the goods on the Purchase Order for each day of delay, however not more than 20% of the value of such goods; and/or
  - c) if, in the opinion of the Buyer the delay may result in non-performance of the agreed delivery schedule, the Buyer may waive the Purchase Order or any part thereof, without any consequence for the Buyer.
2. If the Buyer becomes aware that he will not able to receive a delivery on the agreed date, he shall notify the Seller forthwith and estimate the time when such delivery may be received.

## VI. Quality, control and test

1. The Seller is obliged to organise and possess sufficient production, control and test equipment and documented procedures to ensure that the supplied goods are always of appropriate quality, in compliance with the requirements, technical conditions and specific needs of the Buyer and applicable legal regulations.
2. The Buyer reserves the right to perform his own acceptance qualification of each respective delivery or a batch on the basis of own tests, inspections and opinions, and following own procedures. Performance of acceptance tests shall not limit Seller's liability for defects of supplied goods. The Seller or his representative may participate in acceptance tests of delivered goods performed at Buyer's premises.
3. Upon prior agreement, the Seller shall allow the Buyer to perform audits of the quality system used by the Seller.
4. The Seller is obliged, on Buyer's request, to issue appropriate quality certificates, declarations of conformity, attests or other certificates or assurances as required by the Buyer.

## VII. Guarantee

The Seller grants the Buyer a 12-month guarantee for the goods sold, and undertakes that if any defect is revealed during the guarantee period, the Seller will replace such defective products with the ones free from defects, or will repair them within 14 days from the date of receipt of complaint, at the Buyer's discretion.

## VIII. Insurances

Either the Seller or the Buyer is obliged to insure, at own cost, the goods for transport to the place of destination indicated by the Buyer, up to the full value of such goods, depending on delivery conditions contained in the Buyer's Purchase Order.

## IX. Indemnity

1. The Seller is obliged to indemnify the Buyer from any loss due to claims concerning production, sale or use of goods, including the loss of business.
2. The Seller shall be held liable for any damage, to persons or property caused by the goods supplied to the Buyer or any third person, whose causes include but are not limited to errors in documentation, construction or improper production method, as well as defects of materials used for production of the goods, as provided for by the law and jurisdiction of the state in which such damage has originated.
3. The Seller is obliged to guarantee the Buyer legal protection by providing the Buyer with all required documents and evidence and to hold the Buyer harmless against any costs arising from such claims.
4. The Parties agree to apply contractual penalties in cases and amounts as specified below:

The Seller shall pay to the Buyer a contractual penalty of:

- a) 15% of the goods value, if the Buyer waives the contract for reasons attributable to the Seller;
- b) 1% of supplied defective goods for each day of delay in repair of such defect or replacement with defect-free goods, however not more than 20% of these goods value;
- c) 5% of goods accepted by the Buyer but delivered in other ranges or grades than specified in a respective Purchase Order;
- d) 10% of the value of supply delivered without documents specified in a respective Purchase Order and documents required to use (apply) it according to its intended use;

the above refers in particular to any:

- certificate
  - technical documentation
  - user's manual
  - type approval
  - UDT [Polish Technical Inspection Bureau] certificate
  - check charts
  - declaration of conformity;
  - e) 0.5% of the value of goods not delivered on time, for each day of delay commenced, however not more than 20% of these goods value;
  - f) 1% of the value of goods that were to be delivered in a packing reserved solely to protect the goods during transport, but which were delivered without such packing, and the goods were not duly protected. Delivery of goods without packing reserved for other purposes or faults of such packing shall be subject to the same penalty which applies to goods defects.
5. In cases which are not covered by this article and in case of damages exceeding the value of contractual penalty, the Parties reserve the right to claim compensation under general terms.

## X. Industrial property

Il drawings, documentation, instructions or any other technical information provided to the Seller for the purpose of execution of supplies shall remain the property of the Buyer and shall only be used for the benefit of the Buyer. The Seller is obliged to guarantee supervision over the provided documents in a manner allowing control of documents distribution and their return upon Buyer's request. The Seller undertakes not to use such documents for the benefit or on behalf of any third party.

## XI. Force Majeure

If, in the consequence of extraordinary, unpredictable or other circumstances beyond reasonable control of the Parties, such as fire, war, government ruling, general strike, uprising or riots, deficits of energy, the Seller's ability to execute a delivery, or the Buyer's ability to receive the same, is materially hindered, each Party shall be entitled to cancel the Purchase Order or any part thereof with regard to the deliveries executed during the period in question. The Seller or the Buyer is obliged to notify the other Party of the occurrence of a force majeure event.

## XII. Resolution of disputes

Any pecuniary disputes which may arise out of or in connection with this Purchase Order, shall be solved by a court of competent subject matter jurisdiction in Poznań.

## XIII. Final provisions

1. For the purpose of these General Purchase Conditions it is agreed that any documents sent by fax or e-mail shall be deemed compliant with the requirement to be made in writing.
2. General Terms of Purchase form an integral part of this Purchase Order.
3. Matters which are not covered by these General Terms of Purchase are subject to applicable regulations of the Civil Code.