

## **General terms of sales**

### **I General**

1. The "General terms of sale" are integrated part of all price offers of the Company Diagnostyka i Naprawa Hydrauliki Siłowej Dariusz Drozdek (Diagnostics and Repairs of Hydraulics – Dariusz Drozdek) with its registered Office in Tychy, ul. Paprocańska 165, hereinafter referred to as "Supplier".
2. All agreements introducing changes to these Terms are binding from the moment of their written acceptance by the Supplier.
3. The "Goods" are all products included in the Supplier's price offer (shortly referred to as goods) being subject of any purchase order placed by the Ordering Party and accepted by the Supplier. The term goods refers also to the services offered by the Supplier and managed by the General Terms hereto.

### **II Offer**

1. The Ordering Party place its order in a way specified in item 2 on the basis of the written offer sent by the Supplier per fax, traditional or electronic mail.
2. The Supplier shall accept the purchase order sent to his registered office. Both parties enter an agreement managed by the rules specified in the General Terms of Sales. All later amendments and supplements shall be prepared in written form. All documents of price offer and design are an intellectual property of the supplier and cannot be disclosed to the third parties without prior written consent of the Supplier.
3. The execution of each sales agreement is a transfer of property of the goods to the Ordering Party and the issue of the goods, followed by goods acceptance by the Ordering Party and paying for the goods according to the terms and conditions specified in the sales agreement the Parties entered.
4. The term of delivery is specified by the Supplier in the price Offer. The term of delivery may be prolonged in case of force majeure by the period of its action or in case of other reasons that may not be influenced by the Supplier. The Supplier shall inform the Ordering Part about the new term of delivery.

### **III Price and the Terms of Payment**

1. All the prices are net prices to which the value added tax (VAT) must be added in its legally binding height.
2. The transportation costs shall be bared by the Ordering Party.
3. The terms of payment are specified in the price offer. If there is an advance payment included, transfer of the sum is a condition of start of the order execution by the Supplier.
4. Partial deliveries and partial invoicing are acceptable methods.
5. In case of late payment the Ordering Party shall be charged with the penalty interest in the height of 0.1 % per each day of the delay. However, the maximum value of the penalty interest resulting from legal actions cannot exceed four times the annual interest lombard rate announced by the National Bank of Poland.
6. The Ordering Party has no right to withdraw the payment or deduct any sum without prior written consent of the Supplier.
7. In case of payment delay the supplier has a right to postpone shipment of the goods until the arrears are settled by the Ordering Party.
8. The Supplier has a right to deduct all amounts owed by the Ordering Party as well as to make a cession of his liabilities to the freely chosen subject.
9. The Supplier reserves himself a right to change prices in case of unpredicted changes in customs or tax laws which influence the costs of import of the ordered goods.
10. The Supplier reserves himself a right to change price in PLN in case of average currency exchange ratio change of 2 or more percent since the day of offer's elaboration.

#### **IV Delivery term**

1. The delivery term is being counted starting from the day of written agreement of purchase order content by the Ordering Party and the Supplier.
2. The delivery term shall be treated as fulfilled if the dispatch of goods from the Supplier storehouse takes place on the date specified as the delivery term. If the dispatch or collection of goods is delayed for the Ordering Party reasons, than sending a note informing about goods readiness for transport (dispatch or collection) on the date specified as the delivery date shall be treated as fulfilment of the delivery term.
3. If the delay of collection or dispatch for the Ordering Party reasons is longer than 30 days, the Supplier is entitled to have the goods at his own disposal and the Ordering Party has no right to any claims due to a delayed delivery or its cancellation. The Supplier has also the right to demand reimbursement of the costs of goods storage or their return to manufacturer.
4. In case of occurrence of unpredictable drawbacks keeping the Supplier or his sub-suppliers from carrying out his responsibilities and in case the drawbacks resulting from force majeure cannot be prevented, the agreed terms shall be postponed. If due to the unpredictable circumstances the supplier lost the ability to execute the order he may cancel the agreement after informing the Ordering Party. Similarly the Ordering Party may cancel the agreement informing the Supplier about his decision if he cannot accept the delayed date of delivery.

#### **V Delivery and transfer of risks**

1. All the risks connected with transportation of goods, including loss or damage shall be transferred to the Ordering Party at the moment of collection of goods or passing the goods to the forwarding agent or carrier. In case of lack of detailed arrangements the Ordering Party shall be charged with costs and risks of delivery.
2. If the Ordering Party is responsible for the cause of the delivery delay the risks connected with goods are transferred to the Ordering Party at the moment of preparing of the goods for their collection in the Suppliers premises or handing the goods over to a carrier or a forwarding agent.

#### **VI Pactum reservati domini**

1. The delivered goods shall remain Supplier's property (as reserved goods) until the Ordering Party settle all the outstandings.
2. In case of goods return claim, the Ordering Party is obliged to return the goods on his own expenses and risk (including packaging, loading, transport, unloading, insurance for transport time as well as any other costs) to the place specified by the Supplier within the fortnight since the return claim was placed.
3. In case of payment delay or other harmful actions of the Ordering Party against the Supplier, he is entitled to withdraw execution of other agreements with the Ordering Party and the Ordering Part will not be entitled to claim for payment of compensation of losses resulting from order hold up.

#### **VII Guarantee**

1. Guarantee period is 6 months starting from the delivery date.
2. The guarantee includes constructional faults, material faults and manufacturing faults. All stated faults must be immediately reported to the Supplier, however, no later than within 3 days from finding out a fault. The goods you complaint about must be send back to the supplier in order to be checked and repaired. If the repair is not possible, a new product will be supplied.

3. If any fault is disclosed during the guarantee period, the supplier is obliged to approach the problem within 3 working weeks since the date of receipt of a notice informing about the fault. This period may be prolonged if repair of a defect or delivery of a spare part depends on third party participation for which the supplier cannot be responsible. In such a case the supplier shall inform the Ordering Party about the new term the repair will be undertaken.
4. The guarantee responsibility of the supplier includes the obligation of repair or replacement, however it is the Ordering Party decision whether to repair or replace the part. In case of part replacement, the guarantee period for the new part is 6 months starting from the date of replacement.
5. The warranty responsibility of Supplier concerns the duty of repair or replacement with a new part and the Supplier shall decide whichever to apply. In case of the replacement for a new, faultless part, new guarantee period of 6 months comes into effect. The Ordering Party shall bear the costs of disassembly, insurance and re-assembly.
6. The guarantee responsibility of the supplier is excluded if the repair or replacement has been done by unauthorized person – personnel of third party or the Ordering Party.
7. The guarantee does not cover any changes introduced by the Ordering Party or third parties as their own initiative.
8. The defects caused by the following are excluded from the guarantee:
  - improper use, improper exploitation, operation and storage,
  - improper assembly by the Ordering Party or third Parties,
  - noncontrollable environmental impacts,
  - exceeding the technical parameters recommended by the Supplier,
  - use of improper media,
10. Statutory warranty claims are excluded (apart from consumer sales agreements).
11. The Supplier may undertake post-warranty maintenance services on the basis of a separate agreement.
12. In case of unjustified call of Supplier's personnel for replacement or repair as a complaint (of a product being for instance faultless or damaged due to improper assembly or exploitation) the Ordering Party will be charged by the supplier with all costs.
13. The Supplier cannot be held responsible in case the goods do not fulfil the Ordering Party requirements, although they fulfil the requirements specified in the agreement.
14. The Supplier cannot be held responsible for special features of the goods or their usefulness for purpose stated by the Ordering Party apart from case in which he guaranteed the above-mentioned features of characteristics in writing.

### **VIII Responsibility.**

1. The Supplier will be held responsible towards the Ordering Party exclusively for actual damages resulting from gross negligence of the Supplier or purposefully inflicted by him on the Ordering Party, with the other provisions of the General Terms herein or absolutely binding law.
2. The Supplier will not be held responsible towards the Ordering Party for losses in production, a loss of profit, in usage or any secondary or an indirect loss of any kind. The joint responsibility on the part of the Supplier will be limited to the value of the Agreement or an order.
3. In case of any claims raised against the Ordering Party by a third party that might be in relation to the sold goods, the Ordering Party is obliged to inform the Supplier in writing about such claims being raised within 14 days.
4. The Ordering Party will have no further claims towards the Supplier with the exception of claims provided in the General Terms herein.

5. In case a failure to meet the deadline for goods delivery or to perform another obligation resulting from the Agreement or perform it appropriately is a consequence of circumstances that under these General Terms are not the Supplier's responsibility, and if such a failure is caused by the Ordering Party, then the Supplier will not be obliged to execute the Agreement in compliance with the terms or conditions specified therein.

6. A failure to meet an additional deadline for goods delivery or perform an obligation resulting from the Agreement for reasons that under these General Terms the Supplier is not responsible for, shall not discharge the Ordering Party from the obligation to execute the Agreement, including the obligation to collect the goods, pay the price or perform other agreed services.

#### **IX Competent court and applicable law**

1. Any dispute arising in connection to the agreement shall be submitted to the Supplier's court of general jurisdiction.
2. All disputes arising in connection to the agreement between the Supplier and the Ordering Party shall be governed exclusively by the Polish law.

#### **X Final provisions**

1. By filling in the Order Form you give your consent to storage and processing of the given data for a purpose connected with completion of the purchase order and its settlement.
2. Personal data of a person placing the order will be used only for the purpose of execution of the order, including issue of an invoice or bill. This data shall be treated as confidential and shall not be disclosed to the third parties.
3. The Ordering Party who placed an order and bought the goods from the supplier is entitled to access his personal data and correct them as well as erase them from the database.
4. The Seller (Supplier) is obliged to protect the personal data according to the Act of 29<sup>th</sup> August 1997 r. on personal data protection (Journal of Laws № 02.101.926).