

GENERAL SALES CONDITIONS

These General Conditions of Sales form an integral part of each agreement referred to in the second paragraph below (hereinafter: "**Agreement**"), where PACCOR Polska Sp. z o.o. (hereinafter: "**PACCOR Polska**") with its registered office in Siemianowice Śląskie, ul. Budowlana 6, entered in the Register of Entrepreneurs kept by the District Court Katowice-Wschód in Katowice, VIII Economic Department of the National Court Register, under the KRS number 0000016602, NIP 5490022619, REGON 070442918, with an initial capital of PLN 105,557,000.00, acts as a seller, supplier or entity obliged to provide similar services to a Client being an entrepreneur.

Any agreements to which PACCOR Polska is a party, and whose object is the sale or supply of goods (hereinafter: "**Goods**") by PACCOR Polska or any other agreements with an equivalent or similar subject matter, performed in favour of third parties being entrepreneurs (hereinafter: "**Clients**"), are subject to these General Conditions of Sales (hereinafter: "**GCS**"), unless the Parties agree otherwise in writing, stipulating the specific terms and conditions amending or excluding these GCS.

These GCS are also applicable in the case when PACCOR Polska enters into a sales agreement, a supply contract or any other agreement referred to in paragraph two above, with any third party indicated by the Client as a Recipient of Goods. The Client is obliged to advise the Recipient of Goods in a form required by law on the applicability and contents of these GCS, and shall be liable vis-a-vis PACCOR Polska for any damage sustained as a result of non-performance or improper performance by the Client of the provisions of this paragraph, as well as for failure by the Recipient of Goods to observe the provisions of these GCS.

These GCS are also available at PACCOR website: www.paccor.com

CONCLUSION OF AGREEMENT

1. All information, descriptions, drawings, photographs, illustrations, warranty and technical data, dimensions, weights and the like, contained in any promotional or technical brochures issued by PACCOR Polska can be unilaterally changed by PACCOR Polska without notice. They are commercial information only and do not constitute an offer within the meaning of Art. 66 of the Civil Code Act of 23 April 1964.

2. The Client agrees to observe these GCS and the Agreement concluded between the Parties as the only valid documents, regardless of the Client's using general terms and conditions of contracts, draft contracts, rules or instruments of a similar nature, which otherwise govern the matters provided for in these GCS or in the Agreement. For the avoidance of doubts, the general terms and conditions of contracts, draft contracts, rules or instruments of a similar nature used by the Client do not apply, and their use is hereby excluded.
3. An agreement is concluded by acceptance of the Client's purchase order by PACCOR Polska on the terms described below. The acceptance shall mean, in particular, the forwarding of order confirmation in writing, as well as sending the confirmation by fax or via e-mail, made by a person authorized by PACCOR Polska to accept it, as well as the issuance by PACCOR Polska of proof of Goods release or an invoice. If the Client does not promptly (within 2 business days of the receipt of acceptance at the latest, where a 'business day' is understood as a day from Monday to Friday inclusive, except public holidays) notify of modifications to a purchase order, it shall mean that the Client ordered the Goods in accordance with the originally accepted order. The Client is entitled to modify the order, as referred to in the preceding sentence, as long as PACCOR Polska has not proceeded to the execution of the accepted order and, in particular, has not incurred any costs associated with the execution of the order.
4. Offers and orders sent by the Client in writing by post, facsimile or electronic mail shall be binding to PACCOR Polska provided they are issued by persons authorized by the Client to place orders on his behalf and only after PACCOR Polska has accepted the same, as specified in section 3 above, or after the Goods and the invoice have been sent to the Client.

II. PRICE

1. PACCOR Polska may at any time, including after Order acceptance, change the agreed terms of payment or transportation, or the required minimum quantity of shipment, by notice to the Client sent at least fifteen (15) days in advance. If the Client does not object to the change in writing before the date of its implementation, it shall be deemed that the Client consents to the new conditions.
2. If the Client objects to the change within the required time limit, PACCOR Polska may, at its own discretion, (a) continue to supply /release Goods on the terms and conditions binding before the implemented change, or (b) terminate the Agreement with an immediate effect with respect to the Goods subject to the change, by notifying the Client thereof within 15 (fifteen) days of receipt of Client's written objection, subject to a proviso that the orders already

- accepted by PACCOR Polska shall be executed on the previously agreed conditions.
3. PACCOR Polska reserves the right to change the price of Goods upon written notice to be sent at any time preceding the date of shipment of a particular batch of Goods. PACCOR Polska shall be entitled to do so, in particular, in the case of an increase in the price or cost of materials supplied to PACCOR Polska, necessary for the latter to perform an Agreement, due to foreign exchange rate fluctuations, currency regulations, changes to customs duties and taxes, increased costs of raw materials, labour or transportation, or for other reasons beyond PACCOR Polska's control. If the Client is of an opinion that such an increase in price is unjustified, he may object to it by notifying PACCOR Polska thereof in writing within 15 (fifteen) days of receipt of the notice of price change. In the case of Client's objection, PACCOR Polska may, at its own discretion, (a) continue to supply / release Goods at the price applicable before the change, or (b) terminate the Agreement with an immediate effect with respect to the Goods subject to the change, by notifying the Client thereof within 15 (fifteen) days of receipt of the Client's written objection, subject to a proviso that the orders already accepted by PACCOR Polska shall be executed on the previously agreed conditions.
 4. The agreed prices for the Goods are net prices and are exclusive of the tax on goods and services (VAT).
 5. If, under the applicable provisions of law, PACCOR Polska is obliged to pay or charge customs duties, taxes other than VAT or other levies of a public law nature, the Client shall pay the same to PACCOR Polska together with the payment of the price.

III. DELIVERY

1. All deliveries, irrespective of who is in charge of their transport, are at the Client's risk. Risk of loss or damage to the Goods shall pass onto the Client once the Goods have left the PACCOR Polska's warehouse, unless the Parties agree otherwise in a separate agreement.
 2. The packaging and the method of shipment shall be adjusted to the type of the consignment, the type of Goods, the needs and currently applicable provisions of law. Costs of special packaging or shipment method, if any, including extra insurance of the consignment specified by the Client in a written order, shall be paid in full by the Client.
 3. In case the Goods are sold in returnable packaging, the latter referring also to pallets on which the Goods are delivered, the packaging shall remain the property of PACCOR Polska. The Client shall take care of a proper condition of the packaging to enable, in particular, its further use by PACCOR Polska in accordance with its intended purpose.
4. The Client agrees to send back the packaging referred to in section 3 at its own expense to the registered address of PACCOR Polska, unless a different address is indicated, within 60 days of issuance of an invoice for the Goods packed in the returnable packaging.
 5. In the case the packaging is not returned within the time limit specified in section 4 above or it is returned in a condition preventing or significantly hindering its further use, PACCOR Polska shall charge the Client a sum equivalent to the value of the packaging based on a VAT invoice to be issued by PACCOR Polska.
 6. PACCOR Polska shall not be liable for a delay in the delivery /release of the Goods for which PACCOR Polska is not at fault, including deliveries performed by third parties.
 7. The Client is obliged to observe the indicated deadlines for acceptance of the Goods. In case the Goods are not accepted within the agreed deadline, the provisions of sections 8 and 9 shall apply.
 8. If the Client requests postponement of the delivery date or is not in a position to receive / accept the Goods within the agreed time limit for any reason, the Goods shall be stored in PACCOR Polska's warehouse or elsewhere, at Client's exclusive cost and risk.
 9. If the Client delays receipt of a batch of Goods, a new date for its receipt must be agreed separately with PACCOR Polska. The foregoing shall not affect the deadlines for receipt of subsequent batches of the Goods or Client's liability towards PACCOR Polska resulting therefrom, unless the Parties agree otherwise.
 10. In the case of a delay or default in payment of any amounts due to PACCOR Polska by the Client, PACCOR Polska, in addition to any other of its rights under these GCS, shall be entitled to withhold the release (in part or in whole) of the Goods until the Client has paid all outstanding amounts in full.
 11. In the case the Client waives the receipt of the Goods ordered, the Client shall cover all the costs connected with his failure to perform or improper performance of his contractual obligations, including in particular the cost of manufacture of non-standard Goods, the cost of purchase of non-returnable materials or materials that cannot be used for the purpose of other production, the cost of order cancellation imposed upon PACCOR Polska by its suppliers, as well as the costs of storage, shipment and processing of the order.
 12. PACCOR Polska reserves the right to make partial deliveries. All partial deliveries shall be invoiced separately and the Client is obliged to pay for them upon receipt of an invoice within the time limit indicated therein. Provisions of Clause VI shall apply.

IV. LIABILITY AND COMPLAINTS

1. The parties exclude liability of PACCOR Polska under a statutory warranty for defects in the scope of Agreements concluded under these GCS. PACCOR Polska shall be liable for defects in the Goods only under the terms and within the limits laid down in these GCS.
2. The Client shall be entirely liable for checking the type and quantity of the Goods received in terms of their compliance with the Agreement. If the delivery of the Goods is made through a third party (a carrier), the Client is obliged to inspect the Goods delivered, together with the person releasing the Goods on behalf of the carrier, to an extent that allows them to find any potential damage that may have been caused to the Goods during their transportation. If damage is found, the Client, together with the person releasing the Goods, as referred to in this paragraph, shall prepare a protocol specifying, in particular, the type of damage, the extent of loss of the Goods and any other circumstances, in accordance with the Carriage Act of 15 November 1984. If the case the Client, after acceptance of the Goods, identifies damage that was invisible externally during the acceptance procedure carried out in accordance with this paragraph, the Client shall demand from the carrier that the damage be evaluated within the time limit stipulated in par. 76 of the Carriage Act, and shall prove that the damage occurred between the time of acceptance of the consignment for carriage and the time of its release. The above-mentioned obligations shall encumber the Client accordingly in the case when the entity through which the Goods are delivered is not a carrier within the meaning of the Carriage Act. Provisions of Art. 545 §2 of the Civil Code shall apply. All liability for non-performance or improper performance of the obligations imposed upon the Client herein shall rest with the Client.
3. Without prejudice to the Client's obligations referred to in section 1 above, the Client shall promptly examine the delivered Goods, however, not later than within 3 business days from the date of Goods acceptance. Notice of any defects in the Goods that are detectable during the inspection referred to above (the so-called "visible defects") or of shortage or errors in the delivery shall be promptly given to PACCOR Polska in writing and such an incident shall be recorded in the delivery documents, under pain of losing the rights of redress in this respect.
4. Notice of any defects in the Goods that are only detectable at a later date (the so-called "hidden defects") shall be given by the Client not later than after their detection, i.e. within maximum 2 days of the day of detection, however, not later than within 6 months of the date of Goods receipt from the warehouse/ Goods delivery.
5. Failure of the Client to give a notice within the above time frames shall be considered as acceptance of the Goods

- without defects and in compliance with the order, in particular with respect to the type, quantity and quality.
6. Notice of defects shall be made in writing and include an accurate description thereof, the number of the invoice for the defective Goods and, if applicable, with attached other documents necessary to determine the cause of the defect, such as data from the label placed on the packaging, shipping documents or a protocol made by the recipient of the Goods, and the catalogue number of the Goods, if any. PACCOR Polska shall respond to the claim within 10 days of its receipt.
 7. In the case when PACCOR Polska acknowledges the claim, the Client may demand:
 - a) replacement of the defective Goods with Goods free of defects or
 - b) reduction of the price in the proportion in which the price of the Goods calculated after taking into account the existence of defects remains to the price of defect free Goods of this type.

The Parties shall agree, in a separate written agreement, the manner and date of delivery under the claim acknowledged by PACCOR Polska.

8. PACCOR Polska reserves that the Goods may only be returned to its warehouse after the claim procedure described in this clause has been completed, and after PACCOR Polska acknowledges the Client's claim regarding the quality of the Goods. A return is possible exclusively in the case of Goods subject to claim. Before returning the Goods subject to claim, an express written consent of PACCOR Polska must be obtained. In the absence of such consent, PACCOR Polska shall be entitled to refuse to accept the Goods subject to claim.
9. Notification of defects cannot be a reason for non-payment by the Client of any amounts due for the Goods delivered.
10. The Client is not entitled to any claims other claims for defects in the Goods, except for the ones specified in this Chapter, in particular the Client shall not be entitled to claim compensation for damage sustained as a result of defects in the Goods, or for lost profits.

V. REPRESENTATIONS

1. PACCOR Polska guarantees that the manufacture of the Goods does not infringe any patent rights in the country of manufacture. This guarantee shall not apply to Goods manufactured in accordance with the Client's guidelines.
2. The Client shall be fully liable for the use of technical information, patterns, trademarks, trade names or parts

thereof printed/placed on the Goods indicated in a purchase order.

3. Potential quality guarantee may only be granted by PACCOR Polska under a separate instrument made in writing.
4. PACCOR Polska shall not be liable for damage caused by the Client's acts or omissions with respect to objects of property, inclusive of products manufactured by the Client or other products that incorporate the Client's products, which occur in the period when the Products are in Client's possession.

VI. TERMS OF PAYMENT

1. The Price for the Goods indicated in an invoice shall be paid by bank transfer to the account of PACCOR Polska indicated in the invoice before receipt of the Goods, unless a different date is indicated or the Parties have agreed otherwise.
2. In the case of a delay in payment, PACCOR Polska shall be entitled to charge the Client statutory interest.
3. If payment is made via bank transfer, the payment date shall be the date of crediting the bank account of PACCOR Polska with the full amount due.
4. PACCOR Polska reserves the right to cancel a previously agreed payment deferment or revoke the granted discount at any time.
5. If a reasonable basis exists to suspect that the Client fails to meet his obligation to pay the sales price for the Goods, PACCOR Polska shall be entitled to demand that, prior to release of the Goods and irrespective of previously agreed payment deadlines, the payment be made in cash or that the Client provide certain guarantees or bonds to secure the payment. If a guarantee or bond is not issued promptly (not later than within 2 calendar days of such a request by PACCOR Polska) in a form requested by PACCOR Polska, the latter shall be entitled to rescind the Agreement without any rights of the Client to claim compensation in this respect.

VII. RESERVATION OF OWNERSHIP

1. PACCOR Polska shall transfer the Goods to the Client free of any encumbrance.
2. PACCOR Polska reserves the right of ownership to the Goods until the Client makes full payment for all the Goods delivered to the recipient.
3. The Client shall promptly notify PACCOR Polska of any circumstances that might affect the latter's right of ownership to the Goods, in particular of all cases of seizure or confiscation of the Goods, otherwise the Client shall be held liable to make good the resultant loss to PACCOR Polska.

4. Each time the payment for the Goods is delayed or deferred, PACCOR Polska shall be entitled to claim return of the delivered Goods which have not been paid for, without prejudice to other provisions of these GCS.
5. In case a return of the Goods is requested, the Client undertakes to return, at its own cost and risk, all the Goods whose ownership is vested in PACCOR Polska to a place indicated by the latter; said return shall include the loading, transportation and unloading at a place indicated by PACCOR Polska within 7 days of making the said request by PACCOR Polska.

VIII. LIABILITY. NON-PERFORMANCE OR IMPROPER PERFORMANCE OF THE AGREEMENT

1. Each time PACCOR Polska becomes liable for damage towards the Client, the liability shall be limited to the actual loss only.
2. PACCOR Polska shall not be liable for any particular qualities of the Goods or their suitability to accomplish the purpose intended by the Client, unless, prior to conclusion of the Agreement, PACCOR Polska assured the Client in writing that the Goods have particular qualities or are suitable to accomplish the Client's intended purpose.
3. In particular, PACCOR Polska shall not be liable in case of disruption to its business activity caused by Force Majeure. Force Majeure shall mean any event of an extraordinary nature, which could not have been prevented by the Parties and which was beyond the Parties' control, including, in particular, riots, fire, strikes, collective disputes, military conflicts, martial law, natural disasters, adverse weather conditions preventing the transportation of the Goods, any governmental orders or amendments to the law which lead to production limitations, or which prevent production and/or sale, or acts of terrorism which hinder the performance of the Agreement in whole or in part.
4. PACCOR Polska shall promptly notify the Client of the cause of failure to deliver/release the Goods referred to in section 3 above. If the circumstances preventing the delivery/release of the Goods persist for more than 1 month, either Party shall be entitled to withdraw from the Agreement with respect to the Goods not delivered/released. In such case, neither Party shall be entitled to claim damages.
5. PACCOR Polska is entitled to terminate the Agreement subject to a 3-month notice period, by way of a written notice served to the Client.
6. PACCOR Polska shall be entitled to terminate the Agreement without the notice period referred to in section 5 above in the case of gross infringement by the Client of any of the provisions of GCS or the Agreement.
7. If the Client or a person serving in the governing or supervisory body of the Client, or a person or organizational unit having control over the Client is or will be entered in:

- a. the SDN List (Specially Designated Nationals List kept by the US Office of Foreign Assets Control);
- b. or in the consolidated list of individuals, organizations and countries subject to European Union sanctions under the Common Foreign and Security Policy;

PACCOR Polska shall be entitled to terminate the Agreement with immediate effect, which right is effective upon submission of such a statement.

IX. FINAL PROVISIONS

1. These GCS are governed by Polish law.
2. With regard to matters not provided for in these GCS, the applicable provisions of Polish law, shall apply, including in particular the Civil Code, excluding the choice of law rules of private international law.
3. Pursuant to Art. 6 of United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 in Vienna, it is assumed that the Convention does not apply to agreements concluded on the basis of these GCS.
4. The Client shall not be entitled, without a prior consent of PACCOR Polska made in writing, to assign to a third party any of its rights or obligations, including any amounts due to the Client from PACCOR Polska under an Agreement or these GCS.
5. These GCS were made in Polish and English language versions. In the case of any discrepancies between the Polish and English versions, the Polish version shall be binding.
6. If any of the provisions of GCS becomes invalid for any reason, the validity of the remaining provisions shall not be affected.
7. Any disputes that may arise in connection with an Agreement signed based on these GCS or with the GCS themselves shall be resolved by a common court of jurisdiction over the registered office of PACCOR Polska.
8. By accepting these GCS the Client agrees to processing its personal data by PACCOR Polska for the purpose of executing the order and for marketing purposes connected with its activity.
9. The Client has all the rights under the provisions of the Act of 29 August 1997 on Personal Data Protection (Journal of Laws of 2002, No. 101, item 926), and, in particular, the right to access its personal data.