

General Terms and Conditions for Sales and Deliveries

made by Instytut Mechaniki Sp. z o.o. with its registered office in Jelcz-Laskowice and KOMPOZYTY Sp. z o.o. with its registered office in Stanowice, Topolowa 8

I. General provisions

These General Terms and Conditions for Sales and Deliveries (GTCSD) are applicable and constitute an integral part of all agreements for purchasing goods and services concluded by KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. as well as specify the principles of cooperation with KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. unless explicitly stated otherwise by both parties.

1. The terms and definitions used in these GTCSD are to be construed in the following way:
 - Seller - KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. with its registered office in Jelcz-Laskowice;
 - Buyer – an entity that is the other party to the sales contract (contractor of Instytut Mechaniki)
 - GTCSD - these "General Terms and Conditions for Sales and Deliveries made by KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. with its registered office in Jelcz-Laskowice";
 - Goods – commercial goods as sold by KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. by virtue of contracts with the contractor.
 - Services – services rendered by KOMPOZYTY Sp. z o.o. / Instytut Mechaniki Sp. z o.o. by virtue of contracts with the contractor
2. These GTCSD are a complete and only regulation that is binding both parties as regards the sale of goods. By the same token the parties exclude the application of any other contractual provisions.
3. The provisions of these GTCSD can only be changed in written form or else they shall be rendered null and void. The conclusion of a separate sales contract precludes the application of these general terms and conditions only insofar as it is regulated differently herein.

II. Conclusion of the contract

1. It is the purchase order that is placed by the Buyer in reply to the Seller's offer that constitutes the basis for the conclusion of a sales contract. In the event that the offer undergoes any change or the Buyer wishes for alterations, the contract shall only be concluded when the Seller confirms the receipt of the order together with changes or alterations. Lack of confirmation of such an order shall be construed to mean that sales contract has not been concluded. The parties exclude any possibility of recognizing the contract as concluded even if the law envisages an implicit conclusion of a contract.
2. In the event the Buyer places an order without receiving an offer prior to it (e.g. on the grounds of being invited to negotiations etc.), then in order for the contract to be concluded there must be a written confirmation of the receipt of the offer by the Seller. Sentences 3 and 4 from Point 1 are to be applied correspondingly.
3. Any and all agreements, assurances, promises and guarantees made orally by the employees of the Seller in connection with the conclusion of the contract or the placing of the order shall not be regarded as binding.
4. In order for the sales contract or any changes thereto to be valid, all the correspondence between the parties and relevant to it ought to be served to the other party in writing by mail, via fax or email. This applies in particular to offers, orders and conformation of orders.
5. The Seller shall do the Seller's best in handling and processing the orders, especially as far as punctuality and quality are concerned.

III. Delivery date

1. Delivery date of sold Goods shall be determined each time with the confirmation of the order.
2. Delivery date shall be valid from the day in which Buyer and Seller agreed in writing to the contents of the order. The Delivery date shall be met on condition that a complete documentation from the Buyer shall be received on time, including the necessary permits, licences

and that the confirmation and approval of projects shall be done and the payment conditions and any other obligations shall be fulfilled by the Buyer.

3. Delivery date shall be deemed as fulfilled if the delivery of the devices ready for use has left the Seller's store before the agreed delivery date. In the event the delivery or the receipt are delayed and the delay is caused by the Buyer, then the notice stating the readiness of the Goods to be delivered and received sent before the delivery date shall be deemed as fulfilling the delivery date.
4. In the event that the delay in the delivery or receipt of the Goods caused by the Buyer exceeds 14 days, the Seller may dispose of the Goods at his discretion, and the Buyer has no right to raise claims because of a late delivery or lack thereof. The Seller has also the right to demand that the Buyer cover the costs of storing or returning the Goods to the manufacturer.
5. In the event that the damage is in excess of the conventional penalty, the Seller has the right to sue for compensation according to the general principles.
6. In the event there occur hindrances that couldn't have been reasonably foreseen and the Buyer shall not be able to fulfil the Buyer's obligations or the Buyer's subcontractors shall not be able to fulfil their obligations, or the above-mentioned hindrances shall have been caused by force majeure or the delay of the delivery of other essential production materials or other semi-finished goods, then the agreed deadlines shall be correspondingly adjusted.
7. If, due to the hindrances mentioned in 3.5 the Seller loses the ability to carry out the delivery, then the Seller has the right to withdraw from the contract prior to the notification of the Buyer thereof. The same right shall be enjoyed by the Buyer, if the receipt of the Goods shall not suit the Buyer at a delayed deadline.
8. Within the meaning of the same wording, the Seller bears no responsibility for the delays resulting from strikes or lockouts.
9. The Seller shall not be held responsible for the losses sustained by the Buyer and caused by the delay in delivery.
10. In the event of the delay in the delivery of all or part of the Goods by the Seller resulting from causes other than those listed in Point 3 Section 5-7, the Buyer shall be granted the conventional penalty of 0.5% of the value of the unfulfilled part of the delivery for each begun week of the delivery delay. The said penalty shall not exceed 10% of the value of the Goods that will be delivered with delay.

IV. Transfer of the delivery and risk

1. The moment the Goods are loaded from the Seller's store and the transport is provided by the Buyer, all the risk connected therewith shall be taken by the Buyer. If the transport is provided by the Seller, then the Buyer takes the risk of loss or damage at the moment of the receipt of the Goods. At the Buyer's request and cost the Seller may insure the Goods.
2. The Delivery whose readiness for transport has been declared by the Seller ought to be immediately taken care of by the Buyer. Otherwise the Seller has the right to store the Goods at the Seller's discretion and at the cost and risk of the Buyer.
3. Partial deliveries and partial invoicing are permissible.

V. Price and payment

1. The price for the Goods shall be set each time in the offer or in the sale agreement.
2. The price of the Goods shall be set on the basis of the agreements reached on the day when the order is confirmed in writing.
3. The offers relayed by phone, mail, fax or email shall not be deemed as grounds for the conclusion of the contract. The contract shall be deemed as concluded after the written Order from the Buyer has been received and the written confirmation from the Seller has been confirmed.
4. If the price is set in a currency other than the Polish zloty, it shall be deemed that the parties have agreed on the price in the Polish zloty calculating them according to the mean currency rate issued by the Polish National Bank on the day preceding the invoicing.
5. The Buyer shall pay the price within the deadline laid down in the offer or, in case no deadline has been laid down, by the deadline laid down

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in the VAT invoice issued by the Seller. The payment shall be deemed as made at the moment the monies are in the bank account of the Seller.

6. In the event that after the contract has been concluded there occur circumstances that justify the increase of the price of the Goods (such as increase in duty, introduction of additional duty payments, imposition of other public burdens) the Seller has the right to unilaterally raise the price of the goods, notifying about the cause of such a price increase. The price can only be increased by the increase of the actual additional financial burdens.
7. The Seller enjoys the same right as described in 7 above in case of the increase of the production or purchase costs of the Goods as compared to the price binding at the time when the contract was concluded.
8. The prices given by the Seller are net prices, and they shall be increased by VAT according to the rate as binding on the day of invoicing.
9. In the event the Buyer delays in the payment for the Goods under any of the sales contracts, the Seller has the right to stop the fulfilment of all or any other sales contracts (and stop delivery of Goods) till all the payment has been made by the Buyer with due interest. If the delay in payment is in excess of 30 days, the Seller may withdraw from the sales contract without setting an additional payment deadline. The Seller shall not be held responsible for the damage resulting therefrom.
10. In the event the financial condition of the Buyer deteriorates, the Seller enjoys the rights described in section 9 above, unless the Buyer provides for the benefit of the Seller additional collateral and this will be approved by the Seller. The evaluation of the financial condition of the Buyer as well as the approval of the additional collateral is at the Seller's discretion.
11. The Buyer has no right to deduct the Buyer's receivables towards the Seller from the receivables of the Seller that result from the sales contracts of the Goods.

VI. Receipt of Goods and their Properties

1. The Buyer shall use utmost care to thoroughly inspect the Goods on their receipt with the aim of checking the number/amount, correspondence with the technical specification contained in the contract and possible defects. Also the technical documentation of the goods ought to be checked. Should the Buyer detect any defects, the Buyer shall notify thereof the Seller.
2. The parties have agreed that the costs of loading shall be covered by the Seller, and the costs of unloading shall be covered by the Buyer, irrespective of the fact who covers the costs of the transport.
3. Any and all attestations, approvals, certificates of conformity or any other documents provided with the Goods and describing their quality, parameters and technical properties shall not be deemed as proof that the Goods meet all the described criteria. Such documents are mere information from the Seller that the manufacturer declares that the Goods have been made in accordance with the criteria.

VII. Defects of the Sold Goods

1. The Buyer shall notify the Seller of the defects that it was impossible to detect on reception of the Goods immediately after their detection (but not later than within 3 days of their detection) on pain of forfeiting the right of warranty.
2. The notification of the defects of the Goods shall be made in writing with acknowledgement of receipt, otherwise being null and void and the Buyer shall make the Goods accessible to the Seller as they have been received at the Seller's request. Should the Goods be processed, the Seller bears no responsibility for the said defects.
3. If the Seller is of the opinion that the defects call for technical expertise, then the Seller shall voice the Seller's opinion on the defects after such expertise has taken place.
4. The complaint regarding defective Goods shall be processed in written form on pain of being invalid, after the Goods have been inspected by the Seller or after the technical expertise has been

carried out. If the complaint is recognized as justified, the Seller shall at the Seller's own expense exchange the defective Goods at the deadline agreed by both parties. Should the exchange of the Goods prove impossible or should it entail additional expenses by the Seller, the Seller has the right to refuse the exchange of the Goods and return to the Buyer the corresponding part of the price.

5. The Seller shall bear no responsibility for non-performance or improper performance of the contract in case it is connected with the defects of the Goods resulting from defective manufacture of the producer. In such a case the Seller shall bear no responsibility under the warranty. The Seller is obliged to no warranty if the Buyer has repaired the Goods without prior written consent from the Seller.
6. In all other cases the rights of warranty expire after a year from the delivery of Goods.
7. The Seller does not guarantee the usefulness of the Goods for a particular application. It is the Buyer alone who bears the risk of the application and usefulness of the Goods. The complaint procedures do not relieve the Buyer from payment for the delivered Goods.

VIII. Limited liability

1. The Seller shall not bear responsibility for non-performance or improper performance of the Seller's obligations if such non-performance or improper performance resulted from force majeure.
2. The parties agree that force majeure shall be construed in particular to mean:
 - a) all the circumstances which make the fulfilment of the order impossible, problematic or disproportionately expensive for the Seller for reasons for which the Seller is not to blame;
 - b) strikes,
 - c) lack of supply of products, materials or services to the Seller when such products, materials or services are necessary for the fulfilment of the Buyer's orders,
 - d) war, natural disasters and similar events.

IX. Jurisdiction and governing law

1. All and any disputes between the Parties shall be adjudicated by state court with jurisdiction over the registered office of the Seller. The disputes shall be adjudicated under the Polish law (substantive and procedural).
2. For matters not covered by these GTCSD, the regulations of the Civil Code shall apply.

X. Other provisions

1. The headings of particular points of these GTCSD have been introduced for the sole purpose of easy navigation throughout the text and so they shall have no legal validity, which means that the text of the GTCSD must not be construed on their wording.
2. Should any provisions of these GTCSD be invalid or ineffective, this does not prejudice the validity and effectiveness of the other provisions.
3. Any modifications and corrections of purchase orders, confirmations and GTCSD shall be made in writing on pain of being invalid.
4. These Terms and Conditions come into force on 01.06.2014 r.