

# GENERAL CONDITIONS OF SALE OWS

#### I. General conditions of sale

These "General conditions of sale" (hereinafter referred to as GTS) are an integral part of all offers submitted by WROPOL ENGINEERING, commercial contracts concluded by WROPOL ENGINEERING as well as annexes to signed and existing contracts. Provisions specifying type of products and services ordered by the customers from WROPOL ENGINEERING as well as any other specific terms and conditions of sale shall be each time specified in separate agreements.

## II. Orders

- 1. All customers' orders require confirmation of acceptance for execution by WROPOL ENGINEERING, sent by letter, fax or e-mail. Acceptance of the offer presented by WROPOL ENGINEERING by the customer requires its written confirmation. All agreements, amendments and annexes to agreements require written form. Purchase conditions proposed by the customer are binding only in case of their written acceptance by WROPOL ENGINEERING.
- 2. The Customer's orders waiting for forwarding according to its delivery schedule within a specified time limit are considered as completed orders with deferred payment in a given accounting year.
- 3. WROPOL ENGINEERING reserves all and any industrial property rights to created documentation and technical solutions, technical drawings, sketches and other similar documents made by WROPOL ENGINEERING or commissioned by WROPOL ENGINEERING. In particular, they may not be made available to third parties without written consent of WROPOL ENGINEERING. The above-mentioned drawings, studies and documents are to be kept by WROPOL ENGINEERING for a period of five years counting from the date of the last order for a given product type.
- 4. By ordering WROPOL ENGINEERING, the customer ensures that the product is made according to drawings, templates, execution patterns etc. submitted by the customer, thus ensuring that the studies submitted by the customer do not infringe any third party property rights.
- 5. WROPOL ENGINEERING is not obliged to check whether by executing the customer's order according to drawings, templates, designs and similar studies submitted to it, WROPOL ENGINEERING infringes the rights protecting the property rights of third parties. The customer bears full responsibility for this.

## **III.** Conditions of execution

- 1. Unless otherwise agreed between WROPOL ENGINEERING and the customer, orders and orders are executed at WROPOL ENGINEERING's headquarters.
- 2. WROPOL ENGINEERING bears only costs of product release and packaging. Other costs, in particular collection and transport costs, are borne by the customer.
- 3. In case it is agreed that the customer does not collect the ordered product personally, the product shall be packed and sent to the customer by WROPOL ENGINEERING at the customer's sole risk. Transport costs are borne by the customer. The choice of packaging and means of transport is WROPOL ENGINEERING's responsibility.
- 4. The products ready for collection should be collected by the customer within 3 days of WROPOL ENGINEERING providing information on order completion. All benefits and burdens related to the product as well as risk of accidental loss or damage to the product are transferred to the customer upon personal collection of the product or, in case of lack of such collection, upon handing over of the product by WROPOL ENGINEERING to the carrier. In case of failure to collect the ordered product by the customer obliged to collect it personally within the time limit, WROPOL ENGINEERING is entitled to store the product at the exclusive cost and risk of the customer. The flat rate cost of product storage is 1% of order value for each commenced day of storage.
- 5. The date of the order is always determined approximate unless otherwise agreed. WROPOL ENGINEERING shall not be liable for non-performance or untimely execution of the customer's order if the



sole reason was unforeseen events caused by an external cause preventing proper execution of the order (force majeure). Force majeure shall be deemed to be in particular: employee strikes, lockout, interruptions in WROPOL ENGINEERING's work, power cuts, fire, flood, accident at work at WROPOL ENGINEERING or at subcontractors, delayed, defective or incomplete deliveries of materials, ordered correctly in due time from subcontractors. In case of force majeure, WROPOL ENGINEERING shall immediately inform its customers thereof. After the cessation of force majeure WROPOL ENGINEERING shall immediately determine approximate date of order completion. In such case the order completion period shall be extended by the period of force majeure event and time necessary for WROPOL ENGINEERING to resume normal production activities. Should this not be possible, WROPOL ENGINEERING shall be entitled to withdraw from order completion.

- 6. The order execution period starts from the moment WROPOL ENGINEERING confirms the customer's order, which takes place after all necessary technical and commercial data, approvals, explanations, etc. are obtained from the customer.
- 7. If an advance payment or prepayment by the contractor is agreed in the terms of payment, the term of the contract may be extended by the period of delay in making the payment. The date of payment is the date of crediting WROPOL ENGINEERING bank account.
- 8. If the delivery date is delayed at the customer's request, WROPOL ENGINEERING is entitled to set a new date and, after its ineffective expiry, to withdraw from order execution.
- 9. In case of ordering more products, partial deliveries are allowed, unless agreed otherwise.
- 10. In case of WROPOL ENGINEERING's delay in order processing, the customer after expiry of the order processing time is entitled to withdraw from the order, however, only until it is informed that the ordered products are ready for collection (shipment). WROPOL ENGINEERING is liable only for actual damage caused by the customer due to intentional fault. Under no circumstances WROPOL ENGINEERING is liable towards its customers for lost profits.

## **IV.** Payments

- 1. Unless otherwise agreed, the payment period is 14 days from the date of the VAT invoice.
- 2. If payment is made by bank transfer, the date of payment is the date of crediting WROPOL ENGINEERING's bank account.
- 3. In WROPOL ENGINEERING's offers, the product prices are net prices. VAT in amount of 23% of the product net price is added to net prices.
- 4. Contractors paying in cash (or on a full prepayment basis) for the ordered products may receive a discount for the ordered product up to 3% of the value of the ordered products in case of significant value of the order and provided there are no other obligations towards WROPOL ENGINEERING.
- 5. In case of late payment for the ordered products, WROPOL ENGINEERING is entitled to charge interest for delay, according to the rules and in the amount specified in the Civil Code and the Act of 12 June 2003 on payment dates in commercial transactions.
- 6. In case WROPOL ENGINEERING becomes aware that the customer is insolvent or is in bad financial condition, WROPOL ENGINEERING may make execution of the order conditional on full prepayment for the ordered products by the customer or cash payment for the ordered products or the customer's provision of security for payment of the price of the ordered products.

# V. Product property rights

- 1. The sold products are the property of WROPOL ENGINEERING until full payment of the product price by the customer.
- 2. In case the customer delays payment for the sold products, WROPOL ENGINEERING is entitled to pursue legal proceedings after prior unilateral request for payment.



- 3. WROPOL ENGINEERING agrees for installation or other use of the products supplied by WROPOL ENGINEERING, being the property of WROPOL ENGINEERING, with the reservation, however, that WROPOL ENGINEERING is not liable in any way with loss of warranty.
- 4. In case of seizure, seizure or other disposition of products still owned by WROPOL ENGINEERING by third parties, the customer is obliged to immediately notify WROPOL ENGINEERING thereof.
- 5. In case the customer resells the products delivered by WROPOL ENGINEERING, WROPOL ENGINEERING is released from liability for use and misuse of the product.

#### VI. Guarantee

- 1. WROPOL ENGINEERING ensures that its operations are based on its experience and all technical advice as well as offered products and services are provided with due diligence.
- 2. WROPOL ENGINEERING is liable for the delivered product in case of evident structural defects of material, deviations from parameters included in material technological sheets defined according to specifications and their manufacturing standards. In case the product is manufactured based on the supplied drawing or design, WROPOL ENGINEERING is responsible for product conformity with the supplied drawing or design but reserves the right to make changes in the design, which may take place only after written approval of the customer.
- 3. The customer is obliged, under pain of loss of warranty rights referred to in clause VI. 2 GCS, to check the purchased products immediately after receiving them. A notice of a product defect, including a concise description of the noticed defect. shall be announced in writing within 5 working days from the date of receiving the product, however, before the products are installed or used in any other way by the Contracting Party. The warranty may be considered provided the advertised product is delivered to the contractor. If the complaint is accepted, the product shall be repaired or replaced with a new one together with covering the shipping costs. WROPOL ENGINEERING is obliged to consider the complaint within 14 days of receipt.
- 4. In the case of product defects as indicated in point VI. 2 OWS. WROPOL ENGINEERING undertakes, subject to other provisions of GTS, to remove the identified defects of the product, and in case it is impossible to do so, replace the product with a defect-free product within 14 days from the date of complaint consideration.
- 5. WROPOL ENGINEERING does not bear any responsibility for product defects in case the product is defective:
  - a. the customer does not provide WROPOL ENGINEERING representatives with the possibility to check the identity of the claimed products and their defects,
  - b. The contractor does not provide WROPOL ENGINEERING's representatives with immediate opportunity to carry out verification tests,
  - c. the contractor has assembled WROPOL ENGINEERING products with elements of foreign origin.
- 6. WROPOL ENGINEERING is not liable for natural wear and tear of the products resulting from their proper operation, as well as damage caused by improper handling, storage, installation or use of the products, including operation of water or use of oil with purity class above 18/15 according to PN-ISO 4406 and filtration accuracy above 16µm. Moreover, WROPOL ENGINEERING is not liable for product defects resulting from changes or repairs of the product made by the customer or upon customer's order without prior written consent of WROPOL ENGINEERING.
- 7. WROPOL ENGINEERING is not liable for functioning of products made on the basis of drawings, templates, patterns etc. provided by the customer.
- 8. Notwithstanding other GSC provisions, WROPOL ENGINEERING is not liable for the customer's damages, in particular for the customer: inability to use the products, indirect losses, lost profits and/or gains, as well as for consequences of possible downtime resulting from use or inability to use the products.



- 9. The warranty provisions quoted herein are the only and exclusive proof of warranty granted to the customer by WROPOL ENGINEERING; they replace all other contractual and statutory obligations.
- 10. WROPOL ENGINEERING's liability under warranty is excluded.
- 11. If WROPOL ENGINEERING delivers goods manufactured based on designs received from the customer, WROPOL ENGINEERING guarantees only preservation of quality and dimensional characteristics accepted by the customer.

#### VII. Jurisdiction of the courts

The court having jurisdiction over possible disputes between WROPOL ENGINEERING and the customer related to sales of products or provision of services by WROPOL ENGINEERING to the customer is the court having jurisdiction in Wrocław.

#### VIII. Final provisions

- 1. If any of the provisions of GCS is declared invalid, it does not affect the validity of the remaining provisions or their fragments.
- 2. GCS apply to all orders executed by WROPOL ENGINEERING starting from 01 June 2020.
- 3. Any provisions deviating from GCS require written agreement with WROPOL ENGINEERING for their validity.

Lutynia, June 2020

Wropol Engineering Sp. z o.o.