

# STELWELD GENERAL CONDITIONS OF SALE "SGCS"

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## **§1 SCOPE**

1. These general conditions of sale (hereinafter referred to as "SGCS") apply to all products, services on entrusted material, commercial goods hereinafter generally referred to as Goods (Goods) sold by the seller ("Seller") to the customer ("Customer" ) hereinafter referred to as parties (Parties). SGCS together with the specific conditions of the Seller provided in the attached order confirmation or sales contract ("Order Confirmation") and other documents that have been clearly attached to them, constitute the entire agreement between the Customer and the Seller and replace in full all other conflicting conditions proposed by the Customer, as well as any oral or written arrangements which have not been expressly incorporated into them.
2. In the absence of conflicting provisions, documentation, valuations, calculations are sent for information purposes only, and the Seller's offers are not binding without confirmation of the order. In the absence of other provisions or changes in them, regardless of whether they are included in the purchase order by the Customer or any other documents, including shipping documents, are not binding on the Seller, unless the Seller expressly accepts them in writing.
3. Return of the order confirmation with the Customer's signature, acceptance by e-mail or possibly not rejecting it by the Customer within three days of its receipt constitutes the Customer's consent to the conditions specified therein.
4. Failure by the Seller to exercise any right shall not be considered a waiver of that right. In the case of sales via electronic channels, the Order Confirmation will contain all the specific elements constituting the purchase of the Customer, which will be clearly confirmed by the Seller.
5. If any of the SGCS or parts thereof is found to be invalid, unenforceable or unlawful in whole or in part, such determination will not affect the validity of the other conditions of this document. In the event of a conflict between the provisions of the Order Confirmation and the wording of this SGCS, the provisions of the Order Confirmation shall prevail.
6. The general conditions of purchase of any Customer are not binding unless the Seller agrees in writing.

## **§2 PRICES AND PAYMENT TERMS**

1. Except as expressly indicated in the Order Confirmation, all prices are set as net, and the Customer pays all taxes and charges for transport, insurance, shipping, storage, packaging, handling, packing and the like. Any increases in such fees that will become effective after the Order Confirmation date are borne by the Customer.

2. Payment of the invoice will be made without deductions, within **30 days from the invoice date**, unless the invoice payment date falls on a public holiday in the country of the receiving bank, in which case the invoice payment will be made on the last business day preceding the payment date invoices.
3. If the Customer has no history of cooperation or is in the process of insolvency proceedings, the Seller is not bound by the above payment conditions. Then payment should be made before production of the Good or at the latest before shipping. If the Customer fails to pay within the prescribed period, he is obliged to pay ipso iure without prior notice: (a) statutory interest for the delay and (b) a flat-rate compensation of 5% of the invoice amount as compensation but not less than 200 pln, without prejudice to any other rights of the Seller due to non-payment.
4. In the event of any delay in payment or performance of any obligations undertaken by the Customer, if the Seller has doubts as to the solvency or creditworthiness of the Customer and the Customer is not prepared to make an advance payment or provide the Seller with collateral in accordance with the request, then the Seller reserves the right to withdraw from the contract or keep the part of the contract which he has not yet performed without the consent of the Customer. It will also cause that all liabilities due, which are to be paid by the Customer, even those which have not yet been made, become due immediately without notice from the Seller.
5. The Seller reserves the right to offset the Customer's debt and / or to use the payment to settle invoices for overdue payments for more than 30 days plus any interest for late payment and costs accrued on them, in the following order: costs, interest, invoice amounts. Even in such circumstances, in the event of a dispute, the Customer shall not be entitled to withhold payment or to seek compensation.
6. All bank charges except for the Seller's bank charges shall be paid by the Customer.
7. The delivered Goods remain the property of the Seller until the Customer fulfils the payment obligations described above.

### **§3 DELIVERY OF MATERIALS ENTRUSTED BY CUSTOMER**

1. If to perform the service, the Customer provides the entrusted material in a way that makes it impossible to count it during unloading, the Seller will confirm the number of collective packaging in the delivery document. Quantitative verification will take place during the service process. Information confirming the number of items, including any discrepancies between the amount of material declared and actually delivered, will then be sent to the Customer as soon as the service is performed, to which the Customer agrees. The seller is not responsible for the lack of quantity between the quantity declared by the Customer and actually delivered.
2. The seller does not examine the entrusted material for its suitability for the performance of the service and service is performed under the sole responsibility of the Customer.
3. The material entrusted to perform the service should be clean, free from corrosion, scratches, dents, bubbles and other substances such as grease, oil, graphite, foils and adhesive tapes that affect the possibility and quality of the service. If the abovementioned defects are found, the Seller informs the Customer about this fact. If the Customer, despite informing him of the abovementioned defects, maintains the order for the service, the Seller and the Customer exclude the warranty under this order, and if the performance of the service on such material may pose a risk to the Seller, the contract may be cancelled.
4. Unless otherwise agreed by the parties, the entrusted material may be delivered on the delivery date indicated in the order confirmation from 7.30 to 15.00.

### **§4 RECEIPT OF GOODS AFTER THE SERVICE**

1. Unless otherwise agreed by the parties, the Customer is obliged to collect the entrusted material after performing the service from the Seller's warehouse as soon as possible – up to a maximum of 3 working days from the date of sending by the Seller confirmation of the readiness of the material for collection.

2. Before collection, the Customer is obliged to agree with the Seller the exact date of collection (date and time) and the mean of transport. The receiving person must have a certificate of receipt, with the signature and stamp of the Customer, which will contain the data necessary for the verification of the material for loading.
3. In the case of receipt of the Goods by the transport of the Customer, the quantitative collection of the goods takes place on the premises of the Seller's company.
4. In the event of delivery of the Goods by the Seller, each delivery will be documented by the Customer signing the delivery note, which will be the basis for the quantitative receipt of the material.
5. The goods will be packed in a way that protects them during transport in accordance with the Customer's instructions if possible using the packaging materials in which it was delivered. If the quality and quantity of the packaging materials in which the material was delivered is not sufficient, the Seller will compensate for the lack of using his own packaging materials. In the absence of Customer instructions, the Seller will carry out the above actions in accordance with its own discretion, in good faith, using the best possible practices. Seller's liability in this case is excluded. The cost of such additional materials will be passed on to the Customer.
6. The receipt of the Goods is considered to have been made in terms of quantity as well as in terms of the absence of defects in the form of visible damage, after signing the proof of receipt by a person designated and authorized by the Customer. In any case, it is presumed that the person authorized by the Customer is the person collecting the Goods/material entrusted after the service has been performed at the Customer's warehouse or at another agreed place of receipt, or - in the case referred to in point 2 above - the person who receives the Goods in the Seller's warehouse.
7. The Customer's receipt of the Good / material after the service has been carried out without examination or objection immediately after examination of the Good will be considered as a confirmation that the material was delivered correctly, in the right quantity and assortment.
8. If due to the type of packaging or for any other reason it is objectively impossible to carry out immediate quality control of the delivered Goods, the acceptance control should include at least the quantity and damage visible on the outside. As soon as it is objectively possible, but no later than within 48 hours of receipt of the Goods, a detailed quality inspection must be carried out.
9. If the Customer does not collect the Goods or the material remaining after the service has been performed within the agreed period referred to in item 1 above, the Seller reserves the right to send the Goods at the Customer's expense or to charge the Customer with storage costs. The flat-rate cost of storing products is PLN 30 net per pallet space / order for each commenced day of storage calculated from the first day after the day on which the Goods were to be picked up by the Customer. If the storage cost exceeds 30% of the scrap value of the Goods or entrusted material, it will be disposed of at the Customer's expense or become the property of the seller.

#### **§5 QUALITY OF SERVICES PROVIDED – COMPLAINTS**

1. The Seller is bound to the execution of the Customer's order in accordance with the order confirmation and in accordance with the standards implemented with the Seller.
2. Orders are carried out in accordance with the Customer's requirements confirmed by the Seller and can be verified only in this respect unless the Parties agree otherwise. In the absence of such services will be performed in accordance with the standards of the Seller.
3. Defects that cannot be detected at the time of receipt of the delivery of the Goods should be reported immediately, but at the latest within three days of the day on which the Customer found the existence of the defect or in which he was able to identify it at the earliest with the highest possible care in this regard, but no later than 2 weeks from the date of delivery.
4. The condition of charging the Seller's liability for defects in the Goods is professional (i.e. care and expertise) Customer service and use of goods.
5. The Seller shall not be liable for mechanical damages of the Good arising in transport (in the case of its own collection by the Customer or the carrier hired by him), as well as a result of improper unloading. In the event of damage resulting from the incorrect or careless assembly, use,

maintenance or storage of goods by the Customer or third parties, as well as in the event of repairs or modifications by unauthorized persons.

6. If during the processing/use of the Good (material entrusted after the service has been performed) it turns out that the Goods contains defects resulting from the performed service, for which the Customer will make claims, the Customer must refrain from using it. The Customer is obliged to secure the defective Goods and store the material until the complaint is resolved.

#### **§6 RISK TRANSFER - TERMS OF DELIVERY – VAT**

1. Unless otherwise specified in writing, the transfer of risk will take place in the Seller's warehouse before loading in accordance with EXW Incoterms 2020. If the Customer does not collect the Goods, within the agreed period the Seller may store it at the Customer's risk and expense in accordance with §4 point 9, and after notification of their availability, issue an invoice.
2. In the case of selling Goods delivered to the destination DAP Incoterms 2020, the Seller will choose the route and means of transport, as well as the choice of forwarders and carriers. To enable the Seller to make the necessary shipping arrangements, the Customer is responsible for providing the Seller, in good time, with all relevant information, including: (a) marking and shipping instructions, (b) import certificates, documents required to obtain the necessary government licenses and any other documents prior to shipment. If any required instructions, documents or confirmations are not received or would require (in the sole judgment of the Seller) unjustified costs or delays on his part, the Seller may, at his own discretion and without prejudice to other means, delay the shipping time by informing the Buyer about this fact.
3. Unless expressly agreed otherwise, delays in delivery do not entitle the Customer to claim damages resulting therefrom. Delays in delivery entitle the Customer only to cancel the part of the Order that is not yet in production and only after giving the Seller a reasonable grace period to remedy this delay and only after sending the Seller official notification of the delay.
4. Binding delivery dates entitle the Customer to compensation only to the extent that the Seller has been fully informed in writing at the conclusion of the contract about the possible loss and damage arising from delayed delivery and about the specific valuation of its individual elements. Each time in the event of production delays, the Seller has the right not to deliver the entire quantity ordered by the Customer in one delivery but may provide several subsequent partial deliveries.
5. In the event that the sale of the Good is entitled to exemption from VAT due to intra-Community sale or destination, the export of the delivered Goods, and the Customer accepts delivery at his own risk and his own cost for all or part of the transport or transport (EXW delivery terms, FOB , FCA, etc.) The seller is obliged to submit an application for exemption from VAT only if the Customer provides him with material proof (transport document: CMR, waybill, CIM, export declaration, etc.) of transport or transport to the country of destination.
6. At each Seller's request, the Customer will send / deliver within 10 business days of receiving the request:
  - copies of invoices for the delivered goods with the date and legible signature (name and surname) confirming the receipt of the delivered goods to the address provided on the invoice in the assortment and the quantities specified in the delivery specification and referred to in the invoices,
  - a copy of the delivery note or transport document on which the delivery receipt is affixed.
7. If the above deadline is not met, the Seller has the right to charge the Customer with fines of one hundred euros for each day of delay. The fine may not, however, exceed the amount of VAT due on the value of the delivery expressed in euro.
8. The Customer is obliged to inform the Seller immediately (up to 3 days) about:
  - change of the Customer's VAT identification number for intra-Community transactions,
  - change the name and address of the Customer's company.

#### **§7 PACKAGING OF GOODS**

Unless otherwise stated, the Customer is responsible for the supply of packaging materials, including Euro pallets, and the means of protection, fastening and security used during the transport of the Goods. If the Customer fails to comply with this obligation, the Seller will deliver such materials at the Customer's expense. The above will be invoiced as a separate line together with the Goods.

### **§8 TOOLING**

1. If it is necessary to create additional production tooling to fulfil the Customer's order such as aids, templates, measures, handles, jigs, yokes, security systems, masking and other such solutions (hereinafter referred to as instrumentation) determined that the owner of the concept, documentation, drawings, models remains the Seller.
2. The Customer becomes the owner of the tooling upon payment of the agreed price or after other arrangements have been made.
3. At the request of the Seller, the Customer is obliged to bear the costs of modernization, restoration, renovation of tooling resulting from natural wear.
4. In the absence of any demand for products, the Customer will be informed of the obligation to collect the particular tooling.
5. If the tooling is not collected by Customer, the Seller reserves the right to scrap it within 30 days of sending the information

### **§9 COMPLIANCE – INSPECTION**

1. After delivery, the Customer will inspect the Goods to check the quantity and assortment in accordance with the Order Confirmation, and any apparent non-compliance with the supplied documentation, defects and damage to the Goods (surface defects, packaging defects, marking, etc.) that can be detected.
2. The goods will be considered automatically received upon delivery to the Customer if the Customer does not provide any written observations regarding the Goods no later than 3 days after their delivery and before the Goods are further processed.
3. The Seller does not accept any claims for defects, deficiencies and / or failure by the Goods to comply with certain terms of the order, which may have been disclosed during the normal inspection, but for which the inspection was not carried out.

### **§10 LIABILITY - CLAIMS**

1. The Customer shall provide the Seller with all necessary information to ensure that the specifications of the Goods are properly developed and that the Seller's compliance obligation is fully met when these specifications are met at the time of delivery.
2. The Seller guarantees that the Goods are in accordance with the Customer's specifications (drawings, standards, norms, etc.) delivered to the Seller. All technical advice is given by the Seller before and / or during the use of the Goods, regardless of whether given orally, in writing or by trial, is provided in good faith, but without any warranty on the part of the Seller. The Seller's advice does not release the Customer from the obligation to test the Goods manufactured by the Seller for their suitability for the intended processes and applications.
3. Undetectable defects on delivery must be reported to the Seller immediately after their detection within max 3 days, no later than 4 weeks after delivery date (the Customer is obliged to carefully inspect the Goods in the above-mentioned period). Notification of defects and faults must be supported by documents confirming the justification of the claim.
4. In each case, the Customer must fulfil his obligation to limit damages and is not entitled to delay payment of overdue invoices.
5. If the Seller considers the Goods defective, then the Seller is only obliged, at its own discretion, to exchange or return such goods or, if the amount due has not yet been paid by the Customer, to reduce such price or to cancel the said contract.
6. The Seller shall not be liable for any loss of processing costs, loss of production, loss of revenue and / or any other consequential or special loss or damage directly or indirectly incurred by the Customer or any other person.

7. The Seller may be held liable only for damages caused by his gross negligence or intentional misconduct is duly proven by the Customer, and the Seller's liability in each case will be limited to 100% of the invoiced value of the defective or damaged Goods.

#### **§11 FORCE MAJEURE**

The Seller shall not be liable for any delay, damage or action resulting in whole or in part for any reason beyond the Seller's control, such as war (regardless of whether it was announced), strike, work conflict, accident, fire, flood, force majeure, epidemiological situation, delay in transport, shortage of materials, equipment failure, laws, regulations, ordinances or actions of any government agency or body, or any reason beyond the reasonable control of the Seller. In each such case, the Seller has the right to additional time to perform the service, which may be reasonably necessary, and has the right to divide its production capacity among its Customers in a way that it deems fair. The occurrence of such a force majeure event must be notified in writing to the other party within 3 days of the occurrence of such an event.

#### **§12 CONFIDENTIALITY AND PROTECTION OF INTELLECTUAL PROPERTY**

The parties declare that all information (including data, documents, drawings, maps, projects, photographs, software, designs, market research, know-how, copyrights, industrial property rights, technical, technological, operational, financial, marketing information and others) in oral, written or electronic form regarding their mutual cooperation, exchanged between the Parties are confidential, and unanimous consent of the Parties is required for their disclosure.

At the request of either Party, the disclosure of confidential information will be documented by an appropriate protocol which may include other conditions for the use of confidential information.

If the planned commercial cooperation does not take place or after its completion, each Party, after written notification, undertakes to return to the other Party the documents obtained from it within 14 days without copying them. The parties agree that a violation of the above provisions may cause financial losses, therefore they declare in the above case the readiness to pay compensation of the equivalent of proven actual amount of the loss suffered.

#### **§13 LANGUAGE, APPLICABLE LEGAL JURISDICTION**

This document has been prepared in Polish and English. A copy of the text in one of these languages can be obtained on every request or downloaded on the seller's website [www.stelweld.com.pl](http://www.stelweld.com.pl). In the event of a content conflict, the Polish version prevails. All disputes that may arise during the performance of the contract will be settled by the court competent for the seat of the Seller.