

## ***General Purchasing Conditions – DWD SYSTEM sp. z o.o.***

### **I. SCOPE OF GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY**

- a) These general conditions of sale and delivery, referred to below as the "Terms and Conditions" are the general conditions of contracts (in means of Article 384 in the Polish Civil Code) and are used in legal relations with DWD System Sp. z o.o. (with its registered office at ul. Kiszewskie 10, hereinafter referred to as "DWD System", share capital of 60.000,00 PLN, registered in Register of Entrepreneurs kept by the District Court for Gdańsk-North Division VII The National Court Register under KRS 0000277314, NIP 584 - 260-99-45.)
- b) These General Terms and Conditions are generally available on the website of "DWD System" [www.dwdsystem.pl](http://www.dwdsystem.pl) , which the Buyer shall be notified prior to the settlement of the contract. Buyers entering into a contract of sale / delivery confirm that the GPC have been read, and that they are familiar with them and agree to be bound by their terms.
- c) General terms and conditions form an integral part of the contract and bind both parties of the contract, unless the parties in writing agree otherwise.
- d) Any changes to the above are needed to be written down and agreed in writing by all economic actors

### **II. DEFINITIONS**

Used in "Terms and Conditions" definitions have following meanings:

- "Articles" – movable goods produced by "DWD System" under and by Buyer's order
- "Accessories" – ready-made goods, which are belonging to "Products" such as: slings, filter papers, fittings, plugs, reducers, tight transitions, tees
- "Goods" – ready made goods things that are a part of constant commercial offer of "DWD System" , which are not 'Products' and' Accessories "
- "Services" – scope of services provided by "DWD System"
- "Products" - "Articles", "Goods" and "Accessories", "Services"
- "Transporting Entity" - each Entity that is transporting Products on behalf of DWD System and/or the Client

### **III. PURCHASE AGREEMENT**

1. Advertisements, price lists, catalogues , brochures and other similar information from "DWD System" do not constitute an offer in the meaning of ( PL Article 66 et seq. Civil Code) and may only be considered as an invitation to contract agreement.
2. The necessary condition for buying a given product/service is submitting an order by the Buyer and thereafter receiving an order confirmation from "DWD System".
3. Order confirmation may be preceded with correspondence between parties – informative reasons, for example directing the buyer to the General Terms and Conditions before final confirmation.

4. "DWD System" is always entitled to refuse to accept an order for implementation. Moreover, under the terms of these General Terms and Conditions "DWD system " is entitled to suspend or refuse an order already confirmed.

5. In relation to "goods" and "accessories" the Buyers is entitled to send "DWD System":

- a written contract by fax or e-mail, containing at least the following information:
  - Full name and address of the ordering entity - Buyer
  - Buyer's tax identification number , a detailed specification of the ordered "Goods" and / or
  - "Accessories" , including their number , the requested date of delivery and possibly pre-agreed with "DWD System" price.
  - Buyer's order constitutes an offer within the meaning of Art. 66 and seq. Civil Code

6. With regards to the "Products" the Buyer shall send an order in writing, by fax or e-mail, containing at least the following:

- the full name and address of the buyer ,
- tax identification number , the amount and quality of the ordered " Products " specification of "Products" consisting of plans, descriptions, drawings, which form the basis for 'the Product' by "DWD System", and also the requested date of receipt / delivery . Buyer's order constitutes an offer in meaning of 66 et seq. Civil Code

7. The Buyer agrees that if submitting an order (by e-mail, fax or in writing) the Buyer is bound by the order for a period of 5 working days. If the Buyer would like to increase the range of the "Products" it shall mean in such a case submitting a separate order.

8. Confirmed Purchase/Service agreement can only be constituted upon receiving an order confirmation by "DWD System".

9. An agreement is bounding when received an Order Confirmation by the Buyer.

10. An Order Confirmation consists of the following:

- What "Products" are being ordered, with details and technical specs
- Their quantity
- The date and the place of receipt
- The price

The following will be sent by e-mail, or alternatively by fax or by post. The General Terms and Conditions will also be sent.

11. If the Order will by "DWD System" estimate not be able to be fulfilled in terms of time/quantity/other characteristic, than "DWD System" is obliged to present the possible alternative time and means of procurement. Those will be presented in the Order Confirmation.

The Client than has 3 working days to accept/refuse the above order. If no answer is given within this time period, the alternative means of transport/procurement/other characteristic are considered binding.

12. The Buyer agrees that in the event of doubt of the content of the agreement the rights and obligations are being determined by the content of Order Confirmation sent by "DWD System". Obvious typing mistakes will not affect the obligations of "DWD System".

13. Under the Agreement the Buyer agrees to pay for the goods ordered and authorizes "DWD system" to issue invoices without his signature. The basis of the invoice is Buyer's order and confirmation of the order sent by "DWD System".

14. "DWD System" reserves the right for partial delivery, together with the obligation to state when the rest of the ordered "Products" will be delivered. The Client will be informed about any possible stock shortages in due time before the delivery.

15. With regard to the "Products", "DWD system" is entitled to postpone the release of the "Goods", as defined in the confirmation of the order, however, for no longer than two weeks. This is only the case if "DWD System" is not directly responsible for the delay.

16. The Buyer is entitled to refuse an already confirmed order of "Goods" and "Accessories" within 7 working days from the receipt of the Order Confirmation. In such case though, and especially if the requested goods are already in production phase, the Buyer is obliged to pay 20% of the initial order value for settlement of the contract.

17. The Buyer cannot refuse an already confirmed Agreement in case of "Articles". The only exception is when "DWD System" is postponing the delivery of the goods, from reasons where "DWD System" cannot be held responsible for the delay, as described in III.15. of those General Terms and Conditions.

#### **IV. PRICE AND PRICE RELATED ISSUES**

1. Price of the "Products" is determined on the basis of a pricelist from a date "DWD System" has sent the invoice to the Client. "DWD System" reserves the right for various discounts, rebates and organizing promotional activities relating to the products.

2. If during the contract on "Products" for which the price has been fixed as a lump sum, there is a need to increase the agreed salary, both parties are entitled to agree on a satisfactory amount. If no agreement can be arranged, "DWD System" will be entitled to withdraw from the unfulfilled contract in whole or in part and claim for payment salary.

3. Price will be paid in the manner and within the time specified in the invoice issued by "DWD System". The payment date is always counted from the date of issuing of the "DWD System" invoice.

4. VAT invoice shall be issued by "DWD System" at the latest 7 days after the date of the receipt of the "Products" by the Client.

5. If the delay in payment will be longer than three working days, "DWD System" has the right to suspend the execution of all orders of the Buyer, and the Buyer's all payments to "DWD System" shall become immediately due and payable regardless of any previous arrangements on the payment date.

6. In cases when the Buyer is subject to bankruptcy proceedings, "DWD System" reserves the right to pause the realization of an already agreed contract. What is more, all pending payments on behalf of "DWD System" are in such a case considered due immediately.

7. Issuing a claim does not relieve the Buyer from the obligation to pay the agreed price.

## **V. ISSUING OF THE GOODS**

1. "DWD System" is obliged to issue the goods ordered by the Client. The Client is obliged to collect the goods within the time frame and place specified in the Order Confirmation.

2. The Buyer is obliged to ensure receipt of the ordered goods by an authorized person. An authorized person is a person with written authorization to receive the goods as defined in the specific, proven and admitted to order confirmation. "DWD system" is entitled to refuse to issue "Products" to persons who are not proven authorized. In such case the storage costs of the "Products" and other charges are accounted on behalf of the Buyer.

3. If the purchase conditions include transportation of the goods to the Buyer, than the Buyer is obliged to discharge them within five hours after the arrival of the truck. If the buyer fails to discharge the above within the time period specified above, he shall bear the costs of downtime means of transport. The additional waiting time for unloading will be billed additionally at the current rate for transport fees in "DWD System" or the respective Carrier pricelist.

4. In the case of receipt of the "Products" from the "DWD System" warehouse, "DWD System" bears the costs of loading the goods to the Buyer's transport.

5. In the case of supplying the goods to a location specified in the Order Confirmation, other than the "DWD System" warehouse, the Buyer bears the costs of transportation, and all other respective costs (ie. Insurance, discharge costs etc.).

6. Issuance of the "Product" is defined as taking the ordered goods from the magazine and preparing them for transportation for the supplier/transport company. This does not include IV.7. Please see next point (7.).

7. If the transportation is to be done by "DWD System", the Issuance of the "Product" is considered done when the goods are being discharged from the truck.

8. After issuance of the goods by "DWD System" all risk responsibility, especially damage risk or impairment of the goods are on Buyer's behalf.

9. If the buyer does not perform a reception of the goods or is delayed with the pick-up of goods "DWD system" is entitled to charge the Buyer with the costs of storage amounting to PLN 100,- per day for each meter of occupied space of "DWD System" warehouse. The Buyer also entrusts "Goods" and / or "Products" for safekeeping to a third party at the expense and risk of Buyer. Buyer hereby accepts that authorizes "DWD system" to issue, without his signature, invoices, taking into account the costs and expenses associated with storing the "goods" and / or "Products". All costs associated with the receipt of "goods" and / or "Products" in a new location, including the cost of loading, shall be accounted on Buyer's behalf.

10. If conditions of the contract include delivery of "Products" to a given destination, "DWD System" and / or entities on which behalf "DWD System" transports the goods, will bill the Client with the cost of the transport. The price will be sourced from the Carrier's or DWD System pricelist. The overall invoice for the product/service will have an item "transport costs".

11. The responsibility of any damage and delay with regards to issuance and discharge of the goods lies on behalf of the Buyer.

12. "DWD System" cannot be held responsible for the actions of third persons that are fx. unloading the goods.

## **VI. RESERVATION OF OWNERSHIP**

Until the full amount for the purchased goods is paid, all ownership rights for the "Products" and "Goods" are on behalf of "DWD System".

If there is a delay in payment over the period specified in the invoice, "DWD System" holds the right to:

- Claim returns of the delivered goods, for which the Buyer has not paid; costs on Buyer's behalf, which include: transport, discharge of the goods at a place specified by "DWD System". The return has to take place no longer than 3 working days, after a written claim for return is issued by "DWD System"
- If the case of not returning the goods the Buyer is fined with a fee amounting to 2% of the price of the not-returned goods, per every day of further delay (over 3 working days).
- The above does not exclude any further law-enforcing measures

## **VII. RESPONSIBILITY**

In any case, DWD System's responsibility for any damages on behalf of the Buyer is limited to the actual loss, but not more than the amount of the order it is being referred to.

## **VIII. WARRANTY CONDITIONS**

1. Detailed rules for the award and execution of the guarantee shall be provided in the warranty document passed to Buyer upon receipt of "Products" and on the [www.dwdsystem.pl](http://www.dwdsystem.pl)
2. "DWD System" gives a warranty for the "Products" only if the buyer received a warranty document together with receipt of the goods. Please at any times make sure you are in possession of the warranty document. In other cases, the "Products" effective annual warranty lies under the provisions of the Civil Code and these GTC.

## **IX. WARRANTY AND SECURITY**

1. The buyer has to thoroughly check the "Products" (by quantity and quality measures). Any possible problems should be identified in the form of a complaint report, made no later than the date of receipt of the goods and signed by person responsible for collection of the goods. In the case of any shortages a protocol should indicate discrepancies between the actual delivered quantity and the transport document quantity.
2. Undersigned transport documents and/or waybills, without additional notes, are considered a proof of issuance of the "Goods" "Products" or "Articles".
3. In the case of possible defects, which cannot be detected upon receipt, the Buyer can report them to "DWD System" within 5 calendar days from the date of detection. Failure to report defects within this period will void the warranty.
4. If there is a product fault, the Buyer may require for a repair or replacement. The replacement claim has to take into account the production capacity of the Company DWD System in terms of time.  
A product fault is not a reason to reject a whole contract. A replacement of the faulty good is the only possible way of claim fulfillment. If, though, DWD System claims not being able to replace the faulty good, than either the price can be respectively lowered, or the agreement may be suspended. The choice herewithin lies on DWD System behalf.
5. If the replacement or repair of a "Product" is considered particularly difficult or would incur a significant cost, "DWD System" may reduce the price of the product, respectively. In this situation, the Buyer will receive a credit note for respective amount.
6. In case of any "Product" defect, all installation, building-in or similar activities relating to "Product" should be immediately stopped. Any damage resulting from failure to fulfill the can void the warranty and guarantee.
7. In case of a defective "Product" is intended for installation or incorporation or similar activities relating to "Product" the above should be immediately stopped. Any damage resulting from failure to fulfill the above obligation is held responsible on Buyer's behalf and will void the warranty and guarantee.

8. Compensation responsibility held by DWD System is always limited only to the overall cash equivalent of the faulty products. Please also refer to VII. of this GPC.

9. Time to recognize and evaluate the Buyer complaint is 21 days. If the complaint is agreed, "DWD System" informs of the date of repair or replacement.

10. An effective complaint that will be handled by DWD System needs to include the following:

- Original invoice for purchase of goods
- Packing list in original

#### **XI. PARTIAL INEFFECTIVENESS**

If any statements of those GPC would be invalid for any reason or unenforceable this shall not affect the validity / enforceability of the remaining statements. The parties agree to make all necessary steps, including changes of invalid / ineffective provisions in order for good business cooperation. Those steps are on the basis of such rules and / or legal institutions, which, while legally effective, will as far as possible resemble to the contract and / or economic purpose of the contract.

#### **XII. APPLICABLE LAW AND DISPUTES**

1. The law applicable to all contracts, under the terms of those GPC, is the Polish Law.
2. Any disputes arising from the implementation of the Agreement , the Parties shall submit to a court of jurisdiction in which the "DWD System" or branch "DWD System" operates.

#### **XIII. FINAL PROVISIONS**

1. Those GPC need to be published on the website of "DWD System" and in its catalogues.
2. Those GPC also apply for contracts of sale / supply contracts, unless the parties in writing decide otherwise
3. Those GPC are effective as of 06-04-2012.