

ZPAS S.A. GENERAL SALES TERMS AND CONDITIONS

I. GENERAL PROVISIONS

1. The present Terms and Conditions are binding for the Seller, henceforth referred to as ZPAS S.A., and his Customers, as the Buyers.
2. Conclusion of a contract or deviations from the present Terms and Conditions must be made in writing. In writing also includes submission of a declaration of will in electronic form.
3. The Buyer's general terms of trade are not under any circumstances binding for ZPAS S.A., even in the event that they have been provided in writing or in any other way, and ZPAS S.A. has not objected, unless other provisions state otherwise.

II. TENDER AND CONCLUDING A CONTRACT

1. A contract is concluded on the basis of tenders from ZPAS S.A. and from customers aimed at ZPAS S.A.
2. Tenders should be expressed in Polish zlotys or other currencies as agreed by the parties.
3. Goods will be sold on the basis of orders submitted in writing by the Buyer. An order for goods should include the amount and name of the goods, price, date and collection point of the goods. The contract is considered concluded the moment the Buyer's order is confirmed in writing.
4. Deadlines stated in the order confirmation are determined based on the production capacity of ZPAS S.A.
5. In the event that ZPAS S.A. does not confirm an order, the goods are not sold to the Buyer.
6. The Buyer may not resign from an order, and is obliged to make the full payment for the goods.
7. Any changes to products which require new structural changes, will be made as a supplementary commission after completion of the main commission, and require written acceptance of the tender by the buyer, otherwise they will not be made.
8. Submitting a commission of this type will result in a change to the deadline for completing the main commission and to the delivery date. The buyer will also be charged the costs of unpacking and repacking, and of final tests, measurements, settings and other parameters where necessary.
9. Ordering a prototype involves concluding a contract to prepare a prototype, which determines the detailed conditions with regard to technical specifications, realisation date and principles for payment.

III. SALE PRICE. PAYMENT AND SETTLEMENT

1. Prices, fees and one-off expenses will be established by the parties during the process of concluding the contract, in accordance with the conditions established in the confirmed order, and also taking into rebates granted to the Buyer.
2. Delivery costs are borne by the buyer, unless the parties decided otherwise while concluding the contract.
3. VAT invoices may be issued in foreign currencies.
4. ZPAS S.A. makes deliveries subject to the conditions of the current Incoterms. If the conditions have not been detailed in the contract between the parties, delivery is assumed to be subject to FCA conditions.
5. The prices do not include VAT. VAT is charged additionally in accordance with the applicable rate.
6. Additional services will be settled separately. Packaging which is returned will be accepted unless the detailed terms for realising the order stipulate otherwise. The packaging is traded unit packaging in the understanding of the Act on packaging management and packaging waste.
7. The sale price and remuneration for additional services are henceforth referred to jointly as the receivables.
8. The Buyer is obliged to pay the purchase price of the goods to ZPAS S.A. before receiving them (pre-payment), unless the Buyer is entitled pursuant to a separate agreement to make purchases with deferred payment deadlines.
9. The payment date is taken to be the day when ZPAS S.A.'s account is debited.
10. Receivables may not be subject to deductions by the Buyer, and are paid into the bank account indicated by ZPAS S.A. For any delay in payment, ZPAS S.A. charges interest on arrears on commercial transactions, When the payment deadline expires, the debt collection procedure commences, its costs being covered by the Buyer.
11. If the Buyer making use of the deferred payment deadline is in arrears with payment, or timely payment is in doubt due to his material situation, ZPAS S.A. is entitled to withhold delivery of the goods despite having previously confirmed the terms. In such a case, ZPAS S.A. may withdraw from the established contractual conditions directed at the Buyer without the necessity to first request for the service to be provided.
12. If the payment by the Buyer is insufficient to cover several outstanding receivables, ZPAS S.A. will first of all charge payment for the most overdue receivable, and if several became payable at the same time then in order of the invoices; what is to be used towards a given receivable may be charged first for the overdue secondary services. The Buyer's separate reservation when paying is invalid.

13. The Orderer is not entitled to withhold payment. Receivables may only be deducted in the situation where mutual settlements have been accepted as undisputed or are legally binding. ZPAS S.A. is entitled to settle all receivables due to him from the Buyer using all the receivables due to the Buyer from ZPAS S.A.

IV. DELIVERY AND RECEIPT OF GOODS

1. The Seller reserves the right to make deliveries in batches, unless the Buyer indicates in the text of the order that he does not consent to goods being delivered in this way.

2. The order is considered to have been made in time if ZPAS S.A. informs the Buyer of the shipment being ready for sending within the deadline agreed.

3. The choice of appropriate means of transport is made by ZPAS S.A., unless the detailed agreement for realising the order stipulates otherwise. ZPAS S.A. will select the appropriate means of transport, taking into consideration all circumstances including the type and amount of goods, their specific properties, price and others.

4. The deadlines for completing the contract as presented in the tender are initially binding and may be subject to change. The actual deadlines for completing the contract are agreed by the parties and stated in the order confirmations.

5. Goods are delivered: if the goods are to be sent - the moment they are delivered to their designated destination; if the goods are to be collected by the Buyer from the warehouse indicated in the contract - the moment goods are set aside there for that purpose. The Buyer will be informed of the planned delivery date.

6. The delivery deadline is extended as appropriate in the event of damage preventing or significantly hindering delivery, for which ZPAS S.A. is not responsible, such as fire, flood, malfunction of a machine or vehicle, obstacles on the road, unavailability of the given assortment of goods, act by public authorities, regardless of whether such obstacle affects ZPAS S.A. or a third party such as suppliers or carriers. The above also concerns obstacles to delivery during a delay in delivery. The Seller is entitled to inform the Buyer immediately of the occurrence and cessation of the obstacle to the delivery, and to stipulate another deadline for delivery of the goods.

7. In the event that delivery of the goods is delayed at the Buyer's request for a period of longer than 5 working days from when the Buyer is informed that the shipment is ready for sending, the Buyer may be charged storage costs. The Seller decides whether to charge storage costs. The charge will be no greater than 0.05 % of the gross value of the goods for each day of extended storage.

8. The Buyer is obliged to collect the goods and check them with regard to the amount and packaging, as well as visible defects, during every delivery. Acceptance in this way is binding for the Buyer, and the signed consignment document or issue confirmation confirms the type, amount and quality of the goods delivered. An absence of any reservations in the documents confirming delivery indicates that the contract has been properly executed.

V. RESERVATION OF OWNERSHIP RIGHTS

1. Until the entire sales amount is paid, the Seller reserves the right of ownership of the goods delivered.

VI. MANUFACTURER'S WARRANTY

1. In the case of standard products for internal use, the manufacturer grants a 5-year warranty on mechanical elements (flashing), unless the detailed terms of sale stipulate otherwise.

2. The manufacturer grants a 2-year warranty on electrical and electronic elements and joinery, conditional on their being used for their intended purpose and maintained in accordance with the manufacturer's instructions, unless the detailed terms of sale stipulate otherwise.

3. In the case of spare parts, ZPAS S.A. grants the Buyer a warranty until its expiry conditional on their fitting by ZPAS S.A. or an authorised service agent.

4. If, during the validity period of the warranty, a defect occurs in the product which is the subject of the contract and significantly limits its functioning, ZPAS S.A. will rectify that defect within the appropriate time, by whatever means it considers necessary including replacing and repairing the product. If these measures are not appropriate for the Buyer, ZPAS S.A. may also provide the Buyer with the spare parts necessary to rectify the defect.

5. As part of its warranty service, ZPAS S.A. covers all costs connected with the secondment, work and accommodation of its own employees along with the replacement or repair of the part, on condition that the defect arose while the product which is the subject of the contract was being used in accordance with its intended purpose, and that the costs have not been increased by the product which is the subject of the order being transported to a location other than the original delivery site.

6. ZPAS S.A. covers all the costs of acquiring spare parts and delivering them to the original delivery site. Parts supplied as part of or for the purposes of replacement will be new or renewed, properly functional and in perfect technical condition.

VII. WARRANTY CONDITIONS

1. The warranty is valid if:

a) The products have not been converted, with the exception of changes made by authorised employees of ZPAS S.A. or its partners.

b) The products were used properly and in accordance with the documentation provided by ZPAS S.A.

c) Installation, operation, repair and maintenance are carried out in accordance with the instructions provided by ZPAS S.A.. Specifically, this means that:

1. installation and assembly are carried out in accordance with the instruction manual, and are done by appropriate trained employees,

2. repairs necessary as part of the warranty are carried out exclusively by ZPAS S.A. or its authorised partners,

3. the given appliance subject to the warranty is used exclusively in combination with compatible products.

d) The damage was not caused by changing the location of the product.

2. The warranty does not cover:

a) Rectification of defects caused by external factors such as fire, vandalism, unauthorised interference, excessive temperature, etc.

b) Repair work aimed at rectifying defects connected with improper usage or other inappropriate behaviour.

c) Repairs to accessories, elements added on or other converted or modified appliances.

d) Repair work not connected with ZPAS S.A. products.

e) Repairs which failed to meet the requirements included in the technical documentation concerning the conditions of the surroundings in which a given item is to be used.

3. In the event of an unjustified claim, ZPAS S.A. is entitled to charge the Buyer the costs of sending the goods being claimed for to the service point, and the cost of expertise for the goods returned.

VIII. RETURNING GOODS

1. ZPAS S.A. does not provide for the return of purchased goods, unless the parties decide otherwise in the contract.

2. In the event that goods are returned, ZPAS S.A. charges a handling fee of 10% of the value of the goods returned, but no less than 100 złotys per return. A refund of the appropriate part of the price (after deduction of the handling fee) is possible after the goods returned have been inspected and quality accepted.

3. Processed goods cannot be returned.

4. Goods produced or customised at the special request of the Buyer cannot be returned. In such cases compensation payments are also not possible.

5. ZPAS S.A. bears no responsibility for goods returned without prior agreement.

IX. RESPONSIBILITY FOR PHYSICAL DEFECTS

1. The Buyer is obliged to inspect the goods: if they are to be shipped - the moment the goods are delivered to their specified destination, and if they are to be collected from the warehouse stipulated in the contract - when the goods have been transported from the warehouse.
2. The Buyer is obliged to inform ZPAS S.A. of the defect in writing within 3 days of receipt, in the case of obvious defects. In the case of other defects which may have been detected during an expert inspection of the goods, within 7 days of detection of the defect. The Buyer is obliged to include a description of the defect with this notification and to attach evidence (photographs, etc.). Otherwise, the goods are considered to be accepted without reservations.
3. The Buyer is obliged to immediately cease processing, machining, etc. of goods which have been found to be defective, and enable ZPAS S.A. to carry out a proper inspection of the goods, on pain of losing the right to any claim arising from the guarantee.
4. The Buyer may demand defect-free goods be provided. Defect-free goods are provided by rectifying the defect or by replacing the defective goods with goods free of defects, as ZPAS S.A. decides. Such a demand is ineffective if submitted before the claims procedure ends.
5. If the inspection indicates that the Buyer is not entitled to a claim from the warranty or guarantee, the Buyer is obliged to cover the costs connected with that inspection.
6. It is the duty of the Buyer to check the suitability of the goods for their intended use, where necessary with the expert advice of third parties.

X. LIMITATIONS TO LIABILITY

1. ZPAS S.A. is not liable for damage arising as a result of the Buyer breaching contractual or non-contractual obligations.
2. ZPAS S.A. bears compensatory liability for a defect in goods within the limits of the value of those goods, i.e. it is not responsible for damage which the Buyer incurred or may have incurred as a result of purchasing faulty goods and using them or being unable to use them. ZPAS S.A. is not liable in any case, at any time, for any indirect damage, or resulting damage or destruction (including, but not limited to, loss with regard to production or profits achieved, lost business opportunities, loss of reputation, fines), arising from any cause connected with the goods, borne by the Buyer or any other natural person, legal person or organisational unit connected with him in any legal form. Beyond this scope, compensatory liability is limited to the sale price indicated on the VAT invoice and paid by the Buyer.
3. ZPAS S.A. is not responsible for non-execution or improper execution of the contract in the case of factors over which ZPAS S.A. has no control - force majeure.

XI. INTANGIBLE ASSETS

The contractor bears no responsibility for changes made by the customer, as a result of which the intellectual and legal property of third parties is breached, understood as breach of patents, designs and know-how - this specifically concerns the situation where the product is

integrated with the customer's other IT systems - which is realised by the customer, e.g. integration with an online shop.

XII. SOFTWARE AND SOURCE CODE

Terms of sale for products containing software, drivers and source code will be subject to individual arrangements by the parties during the process of concluding and executing the contract.

XIII. MAINTENANCE AND SET-UP

Detailed terms for the maintenance, activation and set-up of automated devices will be subject to individual arrangements by the parties during the process of concluding and executing the contract.

XIV. FINAL PROVISIONS

In matters not regulated by the General Sales Terms and Conditions, Polish law applies.