

**General terms of sale
POLFLAM Sp. z o.o., Runów**

made on 06.02.2019

POLFLAM's General Terms of Sale, made on 06.02.2019

1. General provisions

- 1.1 These General Terms of Sale (GTS) are general terms of sale under art. 384 §1 of the Civil Code and apply to all contracts for the sale of goods made between POLFLAM Sp. z o.o. with headquarters in Runów, ul. Solidarności 1, entered into the Register of Entrepreneurs of the National Court Register under the number KRS 0000505056 (hereinafter referred to as the "Supplier"), and businesses (hereinafter referred to as the "Customers" or "a Customer"). These GTS do not apply to the sale of goods by POLFLAM Sp. z o.o., Runów to consumers, under art. 22¹ of the Civil Code.
- 1.2 These General Terms of Sale are an integral part of every offer, price list and cooperation agreement or delivery contract. Commencing the cooperation means acceptance of the GTS by the Customer. By placing an order with the Supplier, the Customer confirms that it has read and accepts the GTS.
- 1.3 The Supplier provides an updated GTS document on its website at www.polflam.com.

2. Delivery terms

- 2.1 The supplier undertakes to deliver the goods under the conditions specified in the current offer.
- 2.2 In order to purchase the product, the Customer shall submit the order for the goods to the Supplier in writing, by fax or electronically, based on the offer individually prepared for the given Customer. An individual offer for the Customer is a trade secret of the Supplier. The prices quoted in the offer are net prices.
- 2.3 Within 3 business days from the date of submission of the order by the Customer, the Supplier will confirm its acceptance or inform about the refusal to accept the order giving the reason for refusal.
- 2.4 The Agreement is deemed made when the Supplier and the Customer have agreed all the conditions for the performance of the contract: the goods, its type and quantity, price, date of completion and delivery conditions.
- 2.5 In the case of delays of the Customer's payment of amounts due to the Supplier, the Supplier may refuse to accept a new order until the Customer has settled all the amounts outstanding.
- 2.6 Any changes in the order made by the Customer are treated as a new order and require separate agreement of all essential conditions of the contract. In the event that the Customer makes changes in the order after it has been forwarded to production by the Supplier, the Supplier shall charge the Customer with the production costs incurred prior to the amendment of the order.
- 2.7 The delivery of goods takes place on terms agreed between the parties.
- 2.8 Change of the address or the date of delivery made by the Customer after the conclusion of the contract is possible only after prior arrangement with the Supplier, made not later than 2 days before the planned original delivery date.
- 2.9 All samples and advertising materials of the Supplier are not binding and are for information only, unless the Supplier makes a different reservation in their content. The supplier reserves the right to change the information, technical parameters and the set of goods itself contained in the above documents.
- 2.10 All deadlines given by the Supplier are approximate dates; they may not be treated as final deadlines. The indicative completion dates are counted from the date of meeting the contractual financial terms agreed between the Parties, and the final determination of the properties and technical parameters of the goods.
- 2.11 The delivery date of the goods is automatically postponed by:
 - a) the delays of the Customer in providing the Supplier with information or documents necessary to perform the contract;
 - b) the delays due to circumstances beyond the Supplier's control, including delays of the Suppliers' suppliers;
 - c) the time enabling the delivery of non-defective goods in the event of damage to the goods during transport, regardless of the cause of such damage.

- 2.12 In the cases referred to in point 2.11, the Supplier shall immediately inform the Customer of the date of delivery of the goods. If the Supplier fails to meet the new deadline (unless the circumstances referred to in clause 2.11 occur), the Customer has the right to withdraw from the contract. The declaration on withdrawal from the contract should be submitted in writing under pain of nullity within 7 days from the day on which the circumstances referred to in the preceding sentence have occurred. If the delay concerns only a part of the order, the Customer has only the right to withdraw from the contract for this part of the order.
- 2.13 The Supplier shall not be liable to the Customer if the delay in the performance of the contract occurred due to force majeure or other circumstances that the Supplier could not have foreseen at the time the contract was concluded.
- 2.14 If the Customer fails to collect the goods on the date specified in the contract, the Supplier is entitled to charge the Customer with all costs resulting from this failure to collect and to issue an invoice for the sale of the goods.
- 2.15 The Supplier declares that the goods being the subject of the order will be made in accordance with the requirements of the Standards: EN 572, EN 1096, EN 1279, EN 1863, EN 12543, EN 14179 and EN 14449.
- 2.16 The Supplier undertakes to deliver goods based on the INCOTERMS 2010.
- 2.17 The Customer is obliged to inform the Supplier, before the delivery, about the impossibility of delivering the goods with a truck of a load capacity of over 3.5 tonnes. If appropriate permits are necessary for the delivery, the Customer is obliged to provide them to the Supplier before the delivery starts, under pain of refusal to carry out the delivery.
- 2.18 On the basis of separate written arrangements with the Customer, the Supplier may perform the unloading of goods on its own using specialized equipment.
- 2.19 If the goods delivered to the Customer on the terms EX Works or DDU are not collected on the agreed date, the Supplier has the right to:
- a) issue an invoice for the delivery of the goods after the expiry of the deadline set for collection, and the Customer is obliged to settle the payment regardless of the date of actual collection of the goods,
 - b) charge the Customer with a contractual penalty in the amount of € 70+ VAT for the fifteenth and each subsequent day of delay in collection, counted from the day designated for the collection of the goods.
- 2.20 The Customer is obliged to store goods delivered by the Supplier in covered, dry and ventilated spaces. Goods must be protected against direct sunlight. The supplier is not liable for defects caused as a result of the storage of goods which is not in accordance with the instructions. Detailed rules for storing goods are specified in Appendix 1 to the GTS
- 2.21 In the case of delivery of goods under DDU terms, upon delivery and collection of goods on racks, racks on which goods have been delivered, may be stored at the construction site and / or at the Customer's premises no longer than for 14 days. The obligation to collect the racks from the Customer rests with the Supplier, however, the Customer is obliged to allow the collection of racks within this period and provide all information about the place where the racks are stored. After the laps of the 14-day period, the Customer shall transport the racks, which had been delivered to the construction site, to its premises and make them ready for immediate collection. The Customer is responsible for loading the racks on the Supplier's truck.
- 2.22 The document confirming the return of racks by the Customer, and thus their receipt by the Supplier is:
- a) racks' delivery and acceptance protocol – in the case of simultaneous delivery of goods,
 - b) racks' return / release card – in the case of collecting racks without delivery of goods.
- 2.23 If it is not possible to reach the place where the racks are stored with a truck of load capacity of more than 3.5 tonnes, the Customer is obliged to inform the Supplier of this before the date of collection of the racks.

- 2.24 Confirmation by the Customer of receipt of goods in the delivery receipt document is also a confirmation of receipt of the racks on which the goods were delivered.
- 2.25 Under the EXW terms, the Customer undertakes to return the racks to the Supplier's plant within 14 days from the day of loading.
- 2.26 Failure to return the Supplier's racks within the deadlines indicated in point 2.21 or point 2.25, their damage, destruction or releasing them in a condition that prevents their collection by the Supplier within the above-mentioned period, authorizes the Supplier to charge the Customer with a contractual penalty in the amount of € 250+ VAT for each rack.
- 2.27 In the event that the Supplier requests the Customer to confirm the quantity of the Supplier's racks in the Customer's possession, indicating their number and marks, and the Customer fails to take a position within 7 days of receiving such request, it will mean the Customer's readiness to return the racks within the period specified in GTS in a non-deteriorated condition and in the quantity indicated in the Supplier's request.

3. Documentation of delivery

- 3.1 Each batch of delivery will be documented with a delivery receipt document along with a delivery specification, both of which will constitute a quantitative and, subject to point 6.3. GTS, qualitative basis for collection of goods and confirmation of collection of racks.
- 3.2. Quantitative and qualitative acceptance will be carried out at the Customer's premises or at another place of delivery specified in the contract. If the EXW formula is used, the quantity and quality acceptance of the batch will be carried out at the Supplier's premises.
- 3.3. Goods are considered to have been accepted without any reservations in terms of quantity and quality after signing the delivery receipt document by a representative of the Customer. The Customer is obliged to indicate the persons authorized to sign the delivery receipt documents. In case of doubt, it is considered that every person signing a delivery receipt at the construction site and / or at the Customer's premises is entitled to accept the goods on behalf of the Customer for quantity and quality.

4. Payment of amounts due

- 4.1. The Supplier shall issue an invoice to the Customer on the day of delivery. The Supplier specifies the date and method of payment on each invoice.
- 4.2. Invoices will be issued in the currency of the order or offer. The net price of the product will be increased by VAT in accordance with the applicable rate.
- 4.3. The Parties agree that for the goods delivered the Customer shall pay the Supplier within the due time limit and at the unit prices specified in the Agreement.
- 4.4. In the event of delays in payment of due invoices, the Supplier has the right to: stop the production of further batches of goods until the due payments have been made, while the payment deadline for subsequent invoices can be shortened to 7 days, or, at its option, to request a prepayment of up to 100% of the value of the order before putting the next batch to production. Consequently, delays in payment may result in longer delivery times for subsequent batches of goods in relation to the agreed delivery schedule, which will not be treated as a delay in delivery.
- 4.5. After the Customer's payment of the amounts outstanding, the Supplier will resume delivery of the ordered goods under conditions unilaterally specified by the Supplier.
- 4.6. The date of payment is the date the Supplier's bank account has been credited.
- 4.7. Until the Customer has made full payment for the goods delivered, they remain the property of the Supplier.
- 4.8. The Customer is not entitled to compensate any receivables with the amounts due to the Supplier under any of the sales contracts.
- 4.9. In the case the Customer is obliged to pay a pre-payment, the production process of the ordered goods begins after payment of the amount due by the Customer in the amount agreed upon by the parties.
- 4.10. In the case of orders executed at a specified credit limit with agreed payment collateral, the Supplier puts the order to production after receiving the collateral from the Customer.

- 4.11. The Supplier sets a credit limit for the Customer in consultation with the insurance company. The Customer is entitled to purchase with deferred payment within the valid credit limit. The supplier has the right at any time to withdraw or reduce the credit limit for the Customer without any liability for damages. When requesting to have the credit limit increased, the Customer provides the documents requested by the Supplier regarding the creditworthiness of the Customer.
- 4.12. The credit limit should be understood as a total of the due and non-due payables of the Customer towards the Supplier and the value of the work in progress.
- 4.13. In the absence of timely payment, the Customer undertakes to pay the agreed interest and in the absence of arrangements in this regard, the Supplier is entitled to interest for delay in the maximum amount permitted by Polish law (in accordance with art. 481 §2¹ of the Civil Code), and reimbursement of any costs related to the debt collection requested by the Supplier.
- 4.14. In the event of a change in the financial or legal situation of the Customer that could adversely affect the financial condition of the Customer or the possibility of fulfilling its obligations to the Supplier, the Supplier is entitled to request the Customer to secure payment of the amounts due, including the value of the work in progress.

5. Quality guarantee

- 5.1. The Supplier grants the Customer a quality guarantee with regard to the goods – laminated panes and insulating glazing units manufactured by the Supplier, at the same time ensuring that the products comply with the applicable standards, in particular PN-EN 14449: 2008 and PN-EN 1279-5: 2005 + A2: 2010.
- 5.2. The warranty for other goods provided by the Supplier is excluded.
- 5.3. The Supplier provides the Customer with a quality guarantee for the laminated pane for a period of 5 (five) years from the date of production, ensuring that during a 5 (five) year period there will be no delamination, bubbles or loss of translucency of the glass. Other guarantees in relation to laminated glass are excluded.
- 5.4. The warranty is only valid if the laminated panels purchased from the Supplier were stored by the Customer in accordance with the Supplier's instructions / indications for this item, as well as, when used by the Customer according to their intended purpose, with the principles of proper installation, and in structures for which an appropriate permission for use has been issued for such laminated panes.
- 5.5. The guarantee expires if there has been any interference in the laminated pane or if the frame in which they were used is defective or does not have permission for use with this type of laminated panes. The warranty also expires: in the event of damage to the product as a result of action or failure to act of the Customer or a third party for which the Supplier is not responsible, in the event of mechanical damage, as well as in the case of damage resulting from the use of laminated glass in a manner contrary to its intended purpose or installation thereof contrary to the technical conditions ("General conditions of use of POLFLAM glass" constituting Annex 1 to these GTS).
- 5.6. The supplier does not perform static calculations of selection of structures in terms of applicable standards and regulations. The structure in which the glass is to be installed must be confirmed with an authorized constructor. The Supplier is not liable for defects in goods resulting from improper static calculations regardless of them having been confirmed or not confirmed with an authorized constructor.
- 5.7. The Supplier is not responsible for the materials entrusted to it by the Customer. Liability for the resulting damage is limited to the gross negligence of the Supplier that the Customer should demonstrate.
- 5.8. The Supplier is not responsible for the aesthetic defects of glazing made from the entrusted goods, as well as for mechanical, chemical and other similar damage caused by external factors that were created during or after the installation.
- 5.9. The complaint should be notified in writing or electronically no later than 3 days from the disclosure of the defect under pain of losing the rights resulting from the guarantee.

The Supplier accepts or refuses to accept the complaint by notifying the Customer in any form – in writing / electronically.

6. Quantity and quality complaints (as part of the quality guarantee)

- 6.1 The Customer is obliged to check the goods at the time of delivery both in terms of quantity and quality.
- 6.2 The quantity shortage of the delivered goods in comparison with the quantity included in the delivery receipt document may be reported only when the Customer receives the goods, by making an appropriate entry in the delivery receipt document, or in the case of deficiencies resulting from the destruction of goods in transport – additionally in the destruction in delivery report, provided that the documents are signed by representatives of both parties, under the pain of the Customer's losing the right to claim quantitative shortages.
- 6.3 Qualitative acceptance in relation to the product covered by the quality guarantee is carried out by the Customer upon delivery, and with regard to hidden defects, the determination of which is not possible at the time of delivery, the Customer is obliged to report them prior to installation, but no later than within 48 hours from the date of delivery, whichever comes first.
- 6.4 In the case of finding a defect of a product after its installation, the Customer is not entitled to demand the reimbursement of costs of dismantling, re-installation of goods, repair, subcontracting, labour of third parties, etc.
- 6.5 All complaints should be reported in writing by completing the "Complaint Report", enclosure 2 to the GTS, and sending it to the Supplier within the time limits indicated in section 6.3, under pain of losing rights under the guarantee.
- 6.6 The Supplier shall not be liable for defects in goods that have been or could have been detected while carefully checking the goods at the time of delivery and which have not been reported by the Customer to the Supplier within the time limit referred to in section 6.3.
- 6.7 The Customer indicates in the complaint the number of faulty goods, their type, order number, item number and the specific reason for the complaint together with photographic documentation. All complaints regarding the cracking of goods or other physical defects found after handing over the goods to the Customer will not be accepted, unless the Customer proves that the complaint results from the Supplier's fault and the Supplier acknowledges the complaint justifiable, in writing / electronically.
- 6.8 If the electronically confirmed complaint is accepted, the Supplier is obliged to deliver the goods free from defects within a period not longer than the time of the original order. In the event of a complaint being groundless, the Supplier shall, at the Customer's request, make a new glass and charge the Customer a price according to offer.
- 6.9 In the event of damage to the goods during transport, for which the Supplier is liable or in case of finding a defect, for which the Supplier is responsible, pursuant to the GTS, the Supplier's liability is limited only to the delivery of goods free of defects, excluding any additional costs or direct consequential damage resulting from defects in the goods or the product, in particular the costs of dismantling and re-installation of products, repair, subcontracting or labour of third parties.
- 6.10 If a complaint is lodged, the Customer is obliged to secure the goods for the purpose of possible inspection with the participation of the Supplier's representative at the place of delivery indicated in the contract or at the Supplier's premises. Lack of proper protection of the goods will result in the loss of the Customer's rights under the guarantee; it will also entitle the Supplier to demand reimbursement from the Customer of all costs incurred by the Supplier in connection with the actions taken by the Supplier after filing the complaint.
- 6.11 If it is necessary to make an inspection to determine the legitimacy of the complaint, the representative of the Supplier performs this activity within the agreed time. Within 7 business days from the date of inspection, the Supplier shall notify the Customer of accepting the complaint or about the refusal to recognize it – in any form, in writing / electronically. If it is necessary to carry out the inspection in a place other than the place of

delivery and which is outside the territory of the Republic of Poland, the Customer is obliged to cover the costs of the Supplier related to such inspections.

- 6.12 If, in the Supplier's opinion, there is no need of inspection to determine the legitimacy of the complaint, the Supplier within 7 days from the date of filing the complaint proceeds to the production of the products complained about or informs the Customer in writing / electronically of the refusal to accept the complaint.
- 6.13 If the complaint is accepted, the Supplier undertakes – at its option – to repair the goods or to deliver goods free from defects within the period agreed with the Customer or to reduce the price accordingly if there is no possibility or objective obstruction in the replacement or repair of the goods.
- 6.14 All agreed delivery dates for products free from defects are approximate. Customers shall not be entitled to claims for delays.
- 6.15 The Supplier has the right to withhold the fulfilment of claims from the Customer until all the outstanding liabilities have been settled by the Customer.
- 6.16 The submission of a complaint by the Customer does not suspend the payment dates and maturity of the Supplier's receivables, nor does it justify the withholding of any payments by the Customer.
- 6.17 If the goods subject to complaint are not brought back to the Supplier, the Customer is liable for the possible disposal of these goods and products or waste they turned to.

7. Applicable law and final provisions

- 7.1 Polish law applies to all relations subject to these General Terms of Sale.
- 7.2 Based on art. 558 of the Civil Code, the provisions of the Civil Code regarding warranty for defects are excluded. In this respect, the parties are only bound by the provisions of these GTS.
- 7.3 A court competent for the registered address of the Supplier shall settle disputes arising in connection with the execution of sales (delivery) contracts contained in these General Terms of Sale.
- 7.4 The General Terms of Sale may be changed by the Supplier, and the changes shall be binding on the Customer as of the date of publication of the amended General Terms of Sale at www.polflam.com and upon the Customer being notified in electronic form about the change introduced. Art. 384¹ of the cc is applicable.
- 7.5 These General Terms of Sale take precedence over the general conditions of purchase or sale of the Customer.
- 7.6 General Terms of Sale bind the Customer at the first and the subsequent orders and sales (delivery) contracts with the Supplier, until the Customer is notified of the change in accordance with clause 7.4.

Attachments:

- 1. General conditions of use of POLFLAM glass**
- 2. Reporting a complaint**
- 3. Inspection protocol**
- 4. Instructions for transporting POLFLAM glass in different climate zones**