

General Conditions of Sale and Delivery Addit Sp. z o.o.

1. Introduction

These General Conditions are part of tenders and agreements concerning the performance of deliveries and/or services performed by Addit Sp. z o.o. Any modifications of or deviations from them must be agreed in writing.

2. Definitions

Conditions – a reference to terms and conditions mentioned in these General Conditions of Sale and Delivery Addit Sp. z o.o.;

Contract - any contract and/or agreement between Addit Sp. z o.o and Customer for the sale and purchase of the Goods, incorporating these Conditions;

Customer - the Party to whom Addit Sp. z o.o. intends and/or supplies Goods and/or Services;

Goods - any parts, products and/or services agreed in the Contract to be supplied to Customer by Addit Sp. z o.o. (including any part or parts of them);

Party/Parties – Supplier and/or Customer;

Supplier - Addit Sp. z o.o. and/or any other company belonging to Velmans Industries Holding BV;

Tools/Tooling - cutting and bending tools, welding jigs and templates and any other special tool, device (e.g. testing equipment), which is necessary to manufacture Customer's product/s.

3. Quotations and orders

1. All submitted quotations shall be non-binding and subject to change without notice. Furthermore, orders including any verbal agreements shall not be deemed accepted unless they are confirmed in writing.
2. Customer shall issue Purchase Orders in writing.
3. Any Purchase Order requires Supplier's written acceptance and only duly confirmed by Supplier Purchase Order may be deemed as accepted for realization. Supplier reserves the right to reject any Purchase Order. Such rejection needs to be communicated to Customer in writing
4. Customer may at any time under specific conditions change and/or cancel its Purchase Order, change of revision of its Products and/or make its Products obsolete. If any of such situations occurs Customer is obliged to pay all the costs Supplier has incurred and/or will bear in the future related to changed and/or canceled Purchase Order, changing of revision of Customer's Products and/or making Customer's Products obsolete resulting from agreement with its suppliers and already performed works, such as, but not limited to: raw material purchase, work in progress, semi-finished and ready products, purchasing and logistic costs, etc. regardless from these materials, parts and products are at Consignment Stock, VMI or Kanban stock at the Customer's premises, at Supplier's premises or at the premises of Supplier's sub-suppliers. The Customer is obliged to pay also the costs of other obligations Supplier has with its sub-suppliers, which occur as a result of changing, stopping or finishing production of parts or products for Customer. Such costs should be presented by Supplier in writing.

4. Prices

1. Unless mentioned otherwise agreed Supplier's prices are based on delivery Ex Works according to the Incoterms 2010 prevailing on the date of an offer and are in EURO currency.
2. In case any of cost factors such as, but not limited to labor or material costs, rate of currency exchange, etc. will change Supplier reserves the right to adjust the product prices accordingly.

5. Payment

1. Payment for goods and/or services will take place within 30 days from date of invoice. Payment for additional costs (programs, tools, initial costs) if these costs are 2 000 € or higher will take place as follows:

50% on the day of Purchase Order;

50% after approval of the first product.
2. Services like engineering, consulting, assembling services performed outside Supplier's premises and/or initial cost, such as, but not limited to: travelling, accommodation, etc. will be paid within 14 days from date of invoice.
3. All payments shall be made without any deduction at indicated by Supplier bank account.
4. Whatever the means of payment is used, payment shall not be deemed to have been effected before the Supplier's bank account has been fully and irrevocably credited.
5. If Customer does not pay within the period agreed upon Supplier may without any notice charge interest at a rate of 8 percentage points above the EURIBOR counting from the expiry date as well as charge all judicial and extrajudicial costs in connection with the claim.
6. In case of late payment Supplier may, after having notified Customer in writing, suspend its execution of Contract until Supplier receives the payment in full. If Customer has not paid the amount due in full within three months, Supplier shall be entitled to terminate Contract by notice in writing to Customer and to claim compensation for incurred loss. Customer shall be obliged to cover all the cost Supplier carried fulfilling its obligation to Contract.
7. In case of liquidation, bankruptcy or suspension of its activities by Customer all receivables shall become due with immediate effect.

6. Tools

1. Unless otherwise agreed special Tools are dedicated and to be used exclusively for the needs of Customer shall be paid by Customer and shall, when fully paid, become his property. Supplier shall clearly marks Tools belonging to Customer.
2. Customer shall reimburse Supplier's costs for replacement or repair of tools mentioned in point 6.1 due to normal wear and tear or other causes, which Supplier is not responsible for.
3. Supplier shall be entitled to retain Tools that Supplier has provided under Contract, when it can be reasonably concluded that its technical know-how will otherwise be disclosed and that the disclosure will cause significant loss to Supplier. Supplier shall in such case reimburse Customer the value of retained tools.

4. Supplier will inform Customer about approximate lifecycle of specific Tool in number-of-parts-to-be-produced. Supplier will offer to Customer maintenance of Tool or will quote to Customer a new Tool after lifecycle will come to an end in order to still have a possibility to produce Customer's products.

7. Delivery date, delay in delivery

1. If, instead of specifying the date for delivery, Parties have specified a period of time on the expiry of which delivery shall take place, such period shall start to run on the date when Supplier receives Purchase Order or the date of formation of Contract, whichever is the later.
2. If Supplier anticipates that Supplier will not be able to deliver Goods on time, without any delay Supplier shall notify Customer thereof in writing, stating reason and, if possible, time when delivery can be expected.
3. If changes in construction of ordered parts and/or products, specifications, order quantity, delivery time, etc. occur during order realization Supplier has the right to change delivery time and prices accordingly.
4. If delay in delivery is caused by any of the circumstances caused by Force majeure the time for delivery shall be extended by a period which is reasonable having regard to all the circumstances in the case. This provision applies regardless of whether the reason for the delay occurs before or after the agreed time for delivery.

8. Transition of risk and ownership

1. As soon as Goods have been delivered Customer bears the risk for all direct and indirect damage that may occur, except insofar the damage is a result of Supplier's gross negligence. Delivery will be deemed as completed depending on agreed Incoterm.
2. Ownership of the product passes to Customer only when whole due amount to Supplier resulted from Contract including, but not limited to program cost, tooling cost, initial costs, etc. have been paid for in full.
3. In case of Supplier's takes over obligations of Customer's other suppliers Supplier is not responsible for any not fulfilled obligation by these suppliers. Supplier is not responsible for not delivering the quality, ordered quantities or not delivering in time. Extra costs which occur to Supplier as a result of not fulfilling the contract by these suppliers will be paid by Customer.

9. Liability for defects

1. Supplier shall remedy any defect resulting from faulty materials or workmanship. Every design executed by Supplier has to be approved by Customer prior to production. Customer accepts at all times full responsibility for the design.
2. Supplier's liability is limited to defects, which appear within a period of one year from delivery. In regards to materials this period may be shorter as Supplier cannot be liable longer than producer of particular material is liable for its product. Customer shall, after the appearance of any defect without undue delay notify Supplier in writing thereof. If Customer fails to do so Customer shall forfeit its right to have Goods remedied by Supplier according to point 9.1.
3. When a defect in the products or a part thereof has been remedied, Supplier shall be liable for defects in what has been remedied under the same terms and conditions as those applicable to the original products during a period of one year

4. On receipt of the notice in writing and if a claim is accepted Supplier shall remedy the defect without undue delay and at its own cost. Repair shall be carried out at Supplier's premises unless Supplier finds it appropriate to have the repair carried out, where the products are located. Supplier reserves the right to decide where and how defective products shall be repaired and/or replaced. Supplier fulfills its own obligations in respect of the defect, when Supplier delivers to Customer duly repaired or replaced products.
5. If Customer submitted a notice as mentioned in point 9.4 and no defect is found for which Supplier is liable, Supplier shall be entitled to compensation for the costs Supplier has incurred as a result of the notice.
6. Supplier is not liable for defects arising out of materials provided or specified by Customer.
7. Supplier is liable only for defects, which appear under the conditions of operation provided for in the agreement and under proper use of Goods. Supplier's liability does not cover defects, which are caused by faulty maintenance, incorrect assembly or installation or faulty repair by Customer or by alterations carried out without Supplier's consent in writing. Finally Supplier's liability does not cover normal wear and tear or deterioration.
8. Supplier is only liable for damage suffered by Customer to the extent of Supplier's insurance policy.
9. Return of the goods to Supplier requires prior written consent of Supplier. Returns made without agreement with Supplier will be incurred at the Customer's own risk and expense.

10. Division of liability for damage caused by the product

1. Supplier shall not be liable for any damage to property caused by the products after their delivery and whilst they are in the possession of Customer. Nor shall Supplier be liable for any damage to products manufactured by Customer or to products of which Customer's products form a part. If Supplier incurs liability towards any third party for such damage to property as described in the preceding article Customer shall indemnify, defend and hold Supplier harmless.

11 . Force Majeure

1. Either party shall be entitled to suspend performance of its obligations under Contract to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the following circumstances, but not limited to: industrial disputes and any other circumstance beyond the control of the Parties such as, but not limited to fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, cyber criminality and disturbing digital infrastructure, terrorists acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause.
2. A circumstance referred to in this Clause whether occurring prior to or after the formation of Contract shall give a right to suspension only if its effect on the performance of Contract could not be foreseen at the time of the formation of Contract.
3. The Party claiming to be affected by Force Majeure shall notify the other Party in writing without delay on the intervention and on the cessation of such circumstance. If the party fails to give such notice, the other Party shall be entitled to compensation for any additional costs, which the Party incurs and which could have been avoided having received such a notice.
4. If Force Majeure causes a delay in the performance by either Party, which is of substantial importance to the other Party, the latter may forthwith terminate Contract by notice in writing.

5. Notwithstanding other provisions of these General Conditions, either Party may terminate Contract by notice in writing to the other Party if performance of Contract is delayed more than three months due to a Force Majeure as defined in point 11.1.

12. Consequential losses

1. Save as otherwise stated in these General Conditions there shall be no liability for either Party towards the other Party for loss of production, loss of profit, loss of use, loss of contracts or for any other consequential or indirect loss whatsoever.

13. Other provisions

1. Should individual provisions of these General Conditions be invalid, void, or unenforceable in whole or in part, this shall not affect the remaining provisions that shall remain in force. In such cases Parties to Contract undertake to agree to replace the said provisions with provisions that achieve the aim and meaning intended by the invalid, void, or unenforceable provisions as far as possible.
2. Any variation in these General Conditions shall only be binding, when agreed in writing by both parties
3. The General Conditions do not create any kind of partnership, joint venture, agency or employment relation and do not imply any power of attorney from one Party to the other. The General Conditions constitutes the entire agreement between Parties relating to the subject matter.

14. Disputes and applicable law

1. All legal relationships between Supplier and Customer shall be governed and shall be interpreted solely in accordance with the laws of Poland, all with the exclusion of The United Nations Convention on the International Sale of Goods of 1980 (CISG).
2. Any dispute, controversy or claim arising out of or in connection with these General Conditions or any legal relationship arising there from, including any disputes regarding the existence, validity or termination, shall be finally settled by Polish General Court in case the value of the subject of the dispute will be lower than 200 000 PLN.
3. Any dispute, controversy or claim arising out of or in connection with these General Conditions or any legal relationship arising there from, including any disputes regarding the existence, validity or termination, in case the value of the subject of the dispute will be higher than 200 000 PLN shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Seat of arbitration and place of the hearings shall be Poland. Language of arbitration shall be English.