

General Terms and Conditions of Sale

ZIP Manufacturing
sp. z o.o. as of
13/01/2020

§ 1 Scope of obligations

The delivery of our goods and services are governed by the following General Terms and Conditions of Sale ("General Terms"). These General Terms are applicable to all forthcoming deliveries, irrespective of whether explicit reference is made to them or not. The general terms and conditions of the Ordering Party, which differ from General Terms, the application of which we hereby exclude, shall have no binding force, even in the absence of any explicit objection on our part, and in the event that, in the knowledge of the Ordering Party's differing terms and conditions, we have carried out delivery to him without further reservation.

These General Terms are not apply to contracts with consumers or natural persons concluding a contract directly related to their business activity, where it is apparent from the content of the contract that their nature is not professional.

§ 2 Offer and conclusion of contract

1 Information, price lists, and other advertising and commercial materials directed towards an unspecified recipient shall not be deemed as an offer but shall be regarded solely as an invitation to negotiate.

2 A letter specifically addressed to an individual recipient, specifying the quantity of goods that we can supply under a particular contract, along with the delivery date and place of delivery, constitutes an offer. This offer reflects our intention to enter into a contract with the addressee of the offer. The offer specifies the duration of its binding period. The offer may only be accepted without reservations. Subject to the further provisions of these General Terms, a contract shall be concluded upon our receipt of the order, before the expiry of the offer period. Failure to submit the order by the aforementioned deadline will result in the expiry of the offer. The provisions of the contract are limited exclusively to the agreements set forth in written form or communicated through email.

3 Any reservations or modifications made by the Ordering Party regarding our offer shall be deemed to be a new offer (order). In the event of such circumstances, the contract shall be considered as duly concluded when we explicitly confirm our acceptance of the Ordering Party's order in writing or via email within ten (10) working days. Should such confirmation not occur, the offer presented by the Ordering Party shall expire upon the expiration of the aforementioned ten (10) day period.

4 If the order is placed by the Ordering Party without a tender procedure, a contract shall be concluded if we expressly confirm acceptance of the placed order in writing or by e-mail within 10 working days (counting from the date of receipt of the order). In the absence of confirmation in the manner described in the preceding sentence, we are not bound by the order placed.

5 Notwithstanding the procedure that preceded the conclusion of the contract, we hereby reserve the right to withdraw from any contract concluded by us without stating reasons within 3 working days of its conclusion. In the event of exercising the right of withdrawal, the Ordering Party shall not be entitled to any claims against us, including but not limited to claims for damages.

§ 3 Price and payment

1 All quoted prices are net prices, to which VAT must be added. In the absence of contractual stipulations to the contrary, the price quoted by us is the price of the goods delivered to the place indicated by the Ordering Party (EXW in accordance with INCOTERMS 2000).

2 In the absence of contractual arrangements to the contrary, the price shall be payable within 14 days of delivery. The Ordering Party becomes past due in the event of not making full payment on time. We shall charge statutory interest from the date on which the Ordering Party becomes past due. The use of set-off for payment of the price is prohibited.

3 If the Ordering Party becomes past due with a particular payment, all their other obligations towards us arising from the contractual relationship between us shall become immediately due and payable, and we shall be entitled to withhold further deliveries until the Ordering Party has settled all outstanding payments.

4 The Ordering Party shall not be entitled to withhold payment on any grounds whatsoever — including but not limited to the event, when the delivery is delayed due to the Ordering Party's failure to provide the documents/information indicated in § 5.1.

5 Regardless of the Ordering Party's indication, payments shall be credited first to the earliest receivables. In the event that additional costs and interest accrue on the outstanding debt, we reserve the right, without prejudice to any indication provided by the Ordering Party, to allocate the payments received first towards the costs, then towards the

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interest, and finally towards the principal debt.

6 ZIP Manufacturing sp. z o.o. does not possess the status of a large entrepreneur as defined by the Act on counteracting excessive payment delays in commercial transactions and Commission Regulation (EU) No 651/2014 of 17/06/2014.

§ 4 Merchandise features

1 The information regarding the product properties is accessible in the product descriptions located at our head office. These descriptions will be provided to the Ordering Party upon request.

2 Improper use of our products may have a negative impact on their properties. Adhering to our instructions regarding the proper use and intended purpose of the product is of utmost importance.

3 Within the boundaries of accepted commercial relations, slight variations in product design, technical specifications, and physical parameters (such as weight or size) are permissible.

4 The goods produced by us are exclusively intended for normal use and are not designed for utilization in abnormal, hazardous, health-threatening, safety-compromising, or excessively exploitative conditions, unless we explicitly state that the goods manufactured by us for a specific order will meet additional (special) requirements. We do not assume any responsibility or liability for the suitability of the ordered goods to fulfill the economic purpose intended by the Ordering Party, including the compatibility with their type of business or specific conditions of use. It is understood that the Ordering Party has made a correct assessment of the conditions of use for the goods.

5 In the event that the products are manufactured from materials supplied by the Ordering Party or in a manner specified by the Ordering Party or according to technological documentation provided by the Ordering Party, we shall not be obliged to examine them for their suitability for the performance of the subject matter of the contract or to inform the Ordering Party of their possible unsuitability for its performance. The quality of the materials supplied to us and/or the appropriateness of their execution in the manner indicated by the Ordering Party or according to the technological documentation provided by the Ordering Party, as well as the effect and consequences of their use in the execution of the subject of the contract, shall be the full responsibility of the Ordering Party. Any liability on our part in the above cases, including but not limited to liability under warranty and liability for damages, is excluded.

§ 5 Time of delivery and obligations performance

1 The contractually agreed delivery period shall only commence once the Ordering Party has provided all the technical information necessary for the proper execution of the contract, as well as the materials and process documentation, if the ordered products are to be made from materials provided by the Ordering Party or according to documentation provided by the latter. In the event that payment of all or part of the price has been agreed before delivery of the goods, we shall be entitled to withhold delivery until the customer has made the agreed payment. The place of delivery is the place indicated by the Ordering Party (EXW in accordance with INCOTERMS 2000). If the contract provides for delivery terms other than EXW (in accordance with INCOTERMS 2000), the delivery terms of the contract shall apply.

2 In the event of force majeure or other unforeseeable, extraordinary circumstances beyond our control, such as failure to deliver goods from our suppliers, operational disruptions of our plant caused by fire, plant breakdowns or other circumstances, breakdown of production facilities, strikes, lockouts, material or power shortages, transport shortages, acts of the state authorities, war, epidemics, pandemics (even if the above circumstances occur at our suppliers), we reserve the right, to the extent that these circumstances make timely performance impossible without our fault, to delay the delivery date by the duration of the impediment and by a reasonable period necessary for resuming deliveries. In such a case, the Ordering Party shall have no claims against us.

3 In the event of our failure to meet the delivery date through no fault of our own, the Ordering Party shall set us an additional period of no less than 2 weeks in writing. Any compensation for failure to meet the delivery date shall cover damage that is typical and foreseeable at the time of conclusion of the contract and shall amount to a maximum of 1% of the net price of the goods for each full week of delay, but not more than 5% of the net price of the goods.

4 Deliveries in parts/parts are permitted. In the event of our partial delivery of the order, the Ordering Party's right specified above (including but not limited to the right to withdraw from the contract) shall only apply to the undelivered parts.

5 Should the Ordering party fail to take delivery of the ordered goods on time, we shall be entitled, after prior notification to the Ordering Party and the ineffective expiry of an additional collection period, to sell the goods by a single-source procedure. We will credit the sale price obtained against our claim for payment for unclaimed goods. The foregoing does not limit our right to assert further-reaching claims against the Ordering Party.

§ 6 Transfer of risk from accidental loss or damage

1 Unless it has been expressly agreed that the object of the order shall be delivered at our expense and risk to the place indicated by the Ordering Party, the danger of accidental loss or damage to the object shall pass to the Ordering Party when the goods are handed over to the carrier. The unloading of the goods is the responsibility of the Ordering Party.

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2 At the written request of the Ordering Party, we undertake to insure the goods for the duration of transport, the cost of which shall be borne by the Ordering Party. The Ordering Party shall arrange for the immediate collection and unloading of the goods and shall in each case confirm in writing to the carrier the receipt of the delivered consignment. The absence of an acknowledgment of receipt (specifically due to the absence of a representative of the Ordering Party at the time of receipt or their unwillingness to acknowledge receipt) shall not serve as grounds for disputing the occurrence of delivery.

§ 7 Liability for defects

1 The Ordering Party shall only be entitled to assert any warranty claims if he has fulfilled his obligation to inspect the delivery item and to notify us of any defects they have noticed in accordance with these General Terms and Conditions. The Ordering Party shall notify us in writing within 5 working days of delivery of visible and detectable defects. The Ordering Party is obliged to describe the defects noted in detail. The Ordering Party shall notify us in writing of any hidden defects or defects that cannot be found during a properly conducted examination within 5 working days of their discovery. Failure to comply with the aforementioned deadline shall result in the loss of warranty rights in respect of the defects found. Our undertaking of an inspection of reported defects or action to remedy a defect shall not preclude us from raising a claim for untimely or incorrect reporting of a defect.

2 We are not liable for defects and faults caused by natural wear and tear, failure to comply with stated recommendations/technical standards, making unauthorized modifications to the product, improper assembly, improper unloading and/or storage, exposure of goods to weather or chemicals.

3 Our liability under the warranty shall expire 1 year from the date of acceptance of the goods by the Ordering Party. If a defect is found, we undertake, at our option, either to rectify the defect or to supply defect-free goods. If the goods have already been unsuccessfully repaired or replaced twice, the Ordering Party may demand a proportionate price reduction or withdraw from the contract, whereby any further claims shall be entitled to the Ordering Party only to the extent specified in § 8.

4 We reserve the right to decline rectifying the defect or providing a defect-free item if such actions would entail disproportionately high costs. Including but not limited to costs that exceed 30% of the net market value of the goods sold should be considered disproportionately high.

5 All necessary costs associated with the rectification of the defect or the replacement of the goods with defect-free goods, including but not limited to transport, labor and material costs, shall be borne by us, insofar as these costs are not increased by the fact that the goods have been moved to a location other than the place of delivery. The exchanged goods become our property.

6 If we do not find the goods to be defective, all costs associated with the inspection of the goods shall be borne by the Ordering Party.

7 Only the Ordering Party may assert warranty claims against us directly; these claims may not be transferred to third parties.

8 The Ordering Party shall only have the right to withdraw from the contract or to demand a price reduction in the case described in §7.3. The right to reduce the price is always limited to 10% of its net amount.

9 If we provide a guarantee for the goods sold, the terms of such guarantee shall be set out in a separate document. To the extent not covered by the guarantee document, these General Terms shall apply.

§ 8 Damages claims

1 Unless otherwise stated in these General Terms, our liability shall be limited to willful misconduct or gross negligence. We shall only be liable for demonstrable damage insofar as the occurrence and the amount of the damage — as a typical consequence of our breach of duty — were foreseeable by us at the time the contract was concluded and could not have been prevented/reduced by the Ordering Party.

2 We shall not be liable for any damages other than damages to the delivery item. In particular, we shall not be liable for lost profits and other property damage of the Principal and his contractors. The aforementioned limitation of liability shall not be applicable in cases of death, bodily injury, and health disorders to the extent that such liability arises from mandatory legal provisions. The liability for damages, excluding personal injury, shall be capped at 10% of the net price payable to us for the fulfillment of the contract, regardless of the legal grounds for claiming damages.

3 The Ordering Party shall bear the burden of proof that the defect occurred before the risk of accidental loss or damage was transferred or arose from a cause that was already present in the sold item.

4 Liability for damages on grounds other than fault shall be excluded insofar as such exclusion is legally permissible.

§ 9 Reservation of title

1 All our deliveries are made subject to the right of ownership. The Ordering Party shall obtain ownership of the delivered goods solely upon full payment of the price.

2 The Ordering Party is obligated to exercise due care in maintaining the purchased goods, including but not limited to, obtaining insurance coverage at their own expense. The insurance coverage shall be sufficient to cover the purchase price of the goods against risks such as fire, water damage, theft, and other relevant risks.

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3 Until payment has been made to us, the Ordering Party agrees not to transfer or create any form of security interest on the goods for which we have retained title. The Ordering Party shall inform us immediately of any acquisition of the goods. In the event of withholding payment, the Ordering Party will notify us of the quantity of our goods in its possession and where they are stored.

4 In the event that the Ordering Party is in default of payment, we shall be entitled to demand the immediate return of the goods and the Ordering Party shall be obliged to surrender the goods to us. Making the above request does not affect the possibility of pursuing further claims.

5 If the reserved goods have been processed, transformed or mixed with other items, we reserve the right of ownership on the transformed or mixed item. In the event that the goods subject to retention of title are combined or mixed with items not owned by us, and if restoring the previous state would result in unreasonable difficulties or costs, we shall obtain joint ownership of the newly manufactured item. The extent of our joint ownership shall be determined based on the ratio between the value of the goods subject to retention of title and the value of the newly manufactured item.

§ 10 The applicable law Court with jurisdiction. Execution venue

The governing law shall be the law of the Republic of Poland. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply. The competent court shall be the ordinary court located in Poznań. Notwithstanding the foregoing, we shall be entitled to sue the Ordering Party in the court of the Ordering Party's domicile/residence.

§ 11 Copyright and industrial property rights

1 In the case of a delivery made in accordance with a design or blueprint provided by the Ordering Party, the Ordering Party shall ensure that any rights of third parties under copyright and industrial property law remain unaffected.

2 Should a third party assert claims against us as a result of infringement of the rights referred to in §11.1 above, the Ordering Party undertakes to indemnify us against all liability in this respect and to pay all costs associated with the assertion of the aforementioned claims by the third party, including, in particular, the amounts awarded, damages and legal costs, within 7 days from the date on which we serve the Ordering Party with a demand for payment.

3 Should a third party claim infringement of the rights referred to in §11.1, we shall be entitled to suspend performance of the contract until the matter has been clarified between the Ordering Party and the third party. In the event that, due to the delay, further performance of the contract constitutes an undue hardship, we shall also be entitled to withdraw from the contract. In this case, we are entitled to withdraw from the contract within a period of 1 year from the date of the third party's claim. As a result of the aforementioned withdrawal, the Ordering Party shall not be entitled to any claims against us.

4 We reserve ownership, copyright and patent and utility model rights to designs, drawings, calculations, technical calculations, studies and other documents provided or made available to the Ordering Party in connection with the performance of the contract. They are intended solely for the performance of the contract and may not, either in whole or in part, be reproduced or made available to third parties without our prior express written consent.

§ 12 Severability

The possible invalidity of individual provisions of the General Terms shall not render the remaining provisions invalid. The invalid provisions will be replaced by valid provisions that most closely correspond to the economic purpose of the invalid provisions.