

1. General Provisions

1.1 These terms and conditions constitute general terms and conditions of contracts within the meaning of Art. 384 of the Civil Code and apply to all contracts for the sale of goods, delivery of goods and purchase of services concluded by Power Engineering Transformatory sp. z o.o. with its registered office in Czerwonak as a buyer, principal or ordering party. Power Engineering Transformatory sp. z o.o. with its registered office in Czerwonak, is hereinafter referred to as the "Purchaser" or "PET"..

2. Subject of a Purchase Order and General Terms

2.1 The subject of the Order is the sale and delivery of goods or the provision of services ordered by PET.

2.2 Ordered goods shall be free from any latent or apparent defects, unless they are explicitly allowed in PO.

2.3 PO must be executed according to its terms and specification included therein (i.e. quantity, grade, delivery/receipt date, standard, price, attest).

2.4 The Purchaser reserves the right to refuse acceptance and unloading of non-conforming goods.

2.5 All and any amendments to a PO specification shall require prior written consent of the Purchaser, under the pain of nullity.

2.6 Supplier undertakes to confirm in writing the receipt of a PO to be executed.

The commencement of execution of a PO, even such which has not been confirmed, shall be understood as an approval of Power Engineering Transformatory Sp. z o.o. General Purchasing Terms and Conditions and the confirmation of PO's receipt for execution.

2.7 If a PO confirmation is not received within 24 h from the date of delivery of the PO, the purchase order is considered accepted for execution under the terms specified therein.

3. Delivery Date and Conditions

3.1 The Supplier undertakes to deliver the ordered goods or perform the ordered service within the time limit specified in the PET order.

3.2 Deliveries should be executed in line with the delivery conditions, as specified under INCOTERMS 2010.

3.3 In case of delay in the execution of the subject matter of a PO, the Purchaser may, at his own discretion, withdraw from its execution entirely or in part and/or impose a stipulated penalty of 0.1% of the PO value on the Supplier for each day of delay.

3.4 The Purchaser reserves the right to claim additional compensation should the damages caused by the delay exceed the amount of stipulated damages, also in case of unjustified withdrawal of a PO which has already been accepted for execution (for reasons attributable to the Supplier).

3.5 In case of a supply under DAP (according to INCOTERMS 2010), a person who delivers the goods shall be entitled to sign any documents confirming receipt of the goods on behalf of the Supplier.

3.7 In case any shortage and/or defect is discovered upon unloading, the Purchaser reserves the right to leave the goods at the Supplier's disposal. In such case the acceptance of goods left at the disposal shall take place within 7 days after it is

reported by the Purchaser, under the pain of charging the Supplier with the cost of storage and transshipment. In such case, the Supplier shall not be entitled to invoice the Purchaser for the supplied goods, which are treated as deposited goods.

4. Payment terms

4.1 The date of payment shall be counted as from the date of serving the original of VAT invoice on the Purchaser, provided that it is accompanied by the attests and other documents required by the Purchaser and in the form as required by the Purchaser. In case the above condition is not met, the date of payment shall be calculated from the date of delivery of the last of the documents referred to in the preceding sentence.

4.2 Invoices containing the reservation of the ownership right shall not be recognized by the Purchaser. The date of payment shall be determined from the date of receipt of a correctly issued invoice, without the reservation of the ownership right (item 4.1 shall apply accordingly).

5. Quality

5.1 The Purchaser shall be entitled to make a complaint about non-conforming goods or service, which are inconsistent with the terms of a PO, as regards quality and/or quantity and the Supplier undertakes to take a stance on the complaint within 7 days of the receipt thereof. If no response to the complaint is given within the prescribed deadline, the Parties unanimously consider such complaint as settled for the benefit of the Purchaser. Should any actions aiming at the settlement of a complaint be taken, the Parties agree that it should take no longer than 30 days. After that period, any complaint that remains unsettled shall be considered by the parties as settled for the benefit of the Purchaser.

6. Additional Conditions

6.1 The Supplier undertakes to enclose any attest, declarations of conformity or other documents listed in the PO to the release note (WZ) and/or proof of delivery. Otherwise, the Supplier undertakes to deliver the above mentioned documents together with a commercial invoice at the latest. Anyway, it should not be later than within 7 days from the date of delivery, under the pain of postponement of the date of payment referred to under item 4.1. If the documents referred to above are not delivered at all, the Purchaser shall be entitled to exercise the rights specified under items 3.3 and 3.7.

6.2 The Purchaser authorizes the Supplier to issue VAT invoices (in compliance with a respective PO) without the Purchaser's signature.

6.3 The Supplier is obliged to quote PO numbers on the invoices.

6.4 No claims resulting from a PO shall be subject to any legal actions without prior written consent of the Purchaser.

6.5 Any disputes that may arise between the parties hereof, with regard to the execution of a PO shall be solved amicably. The disputes which cannot be solved amicably shall be settled by a court of competent jurisdiction over the seat of the Purchaser.

6.6 Each party undertakes to keep confidential all and any information related to the execution of a PO.

6.7 These General Purchasing Terms and Conditions constitute an integral part of a PO.

6.8 Polish law applies to the Order. Other commercial terms which are not included in these GPTC shall be regulated by the Civil Code.