

Gorlice, 1st March 2019

GENERAL CONDITIONS OF SALE AND ASSEMBLY

TLC SP. Z O.O.

1. DEFINITIONS

- 1.1. **General Conditions of Sale and Assembly** (hereinafter referred to as the "GCSA") is the present document forming the general conditions of sales and installation of the products offered by the Seller; the provisions of GCSA should be known by the Buyer as they form an integral part of each sale or delivery contract;
- 1.2. **Seller** – TLC spółka z ograniczoną odpowiedzialnością (a limited liability company) with its registered seat in Gorlice, address: Chopina 25N, 38-300 Gorlice, entered into the register of entrepreneurs of the National Court Register maintained by the District Court for Kraków – Śródmieście in Kraków 12th Commercial Division of the National Court Register, under KRS number 0000245912;
- 1.3. **Buyer** – a natural person, a legal person, an organizational unit without legal personality, placing an order or buying Seller's products (this GCSA shall only apply to the Seller's clients being entrepreneurs; the GCSA shall not apply to the Seller's clients who are consumers within the meaning of Article 22¹ of the Civil Code);
- 1.4. **Products** – products and goods offered by the Seller;
- 1.5. **Parties** – the Buyer and the Seller;
- 1.6. **Civil Code** – the Polish Civil Code of 23 April 1964 with further amendments.

2. GENERAL PROVISIONS

- 2.1. The terms of the GCSA constitute the general conditions of contracts within the meaning of Article 384 and subsequent articles of the Civil Code and specify the principles of performing the sales contracts and products delivery by the Seller to the Buyer.
- 2.2. The terms of the GCSA constitute an integral part of all sales and delivery contracts concluded by the Seller, including the contracts concluded on the basis of the order that was placed by the Buyer and Seller's confirmation of acceptance of the order.
- 2.3. The terms of the GCSA shall be communicated to the Buyer upon contract execution, at the latest during placing an order, they are also available on the website at www.tlc.eu.
- 2.4. Placing an order and/or signing the sale contract by the Buyer means acceptance of the terms of GCSA, which shall be binding from that moment on.
- 2.5. Provisions of the contract or provisions of the order with the confirmation of its acceptance shall prevail over the terms of the GCSA.
- 2.6. All standard contracts, including the Buyer's general commercial conditions (general conditions of purchase), shall not apply even if they are present in any other documents and have not been contested.
- 2.7. The terms of the GCSA are binding for all Seller's future sales and deliveries, unless otherwise agreed by the Parties.

3. CONCLUSION OF THE CONTRACT

- 3.1. Information contained on the Seller's website, in catalogues, advertisements or other publications, does not constitute an offer within the meaning of the Civil Code. All publications about the products offered by the Seller are provided purely for information purposes.
- 3.2. The sale contract is effectively concluded if the Buyer places the order and the Seller confirms in writing acceptance thereof (including an electronic form) or if both Parties sign the contract. An order placed by the Buyer is not binding for the Seller, also lack of Seller's reply shall not be deemed as a tacit acceptance of the order's execution.
- 3.3. The Seller reserves the right to suspend the execution of the order/contract at any stage of its execution, if the Buyer fails to comply with the agreed terms of payment, until full settlement of the outstanding payments. In such a case, the deadlines previously set for the execution of the order/contract, shall be extended proportionally to the duration of such a suspension. All delays compared to the initial deadlines for the execution of order/contract will be regarded as arising from Buyer's fault.

4. PRICE

- 4.1. The prices agreed between the Parties are net prices – without VAT tax. The Seller will each time increase agreed net prices by the VAT tax based on the amount specified for the products and services purchased applicable on the date of issuing the invoice (if any).
- 4.2. The prices include the costs of the product packaging according to the standards applied by the Seller. The Seller reserves the right to increase the price in case of a non-standard packaging.
- 4.3. In case of any changes in the VAT rate, or introduction of other forms of taxation, the Seller reserves the right to modify the price.

5. PLACE OF DELIVERY

- 5.1. The Buyer shall collect the products from the Seller's warehouse, unless otherwise agreed by the Parties. The EXW Gorlice Incoterms 2010 shall be applied accordingly.
- 5.2. The Buyer shall be obliged to collect the products during the working hours of the Seller's warehouse, according to the previously agreed date. The quantitative and qualitative acceptance shall be carried out before loading. The Buyer shall have a car adjusted to transportation of the ordered products.
- 5.3. At the time of the collection, the Buyer shall be obliged to examine the products carefully with regard to the quantity, compliance with the technical specification set out in the order/contract and potential patent defects. The technical documentation of the product should be verified as well. After examination of the products, the document of release shall be signed. The signature shall be deemed as compliance of the parameters with the order/contract as well as the lack of defects that might have been discovered in case of careful examination at the time of the collection.
- 5.4. All risks related to the product are transferred to the Buyer upon loading completion and acceptance of the ordered Product.
- 5.5. If the Seller provides the delivery, the Buyer shall be obliged to collect the ordered products on the agreed date (dates), and particularly to careful technical preparation and execution of the unloading at the place of delivery and to the quantitative and qualitative acceptance (with regard to the patent defects) of the delivered products. All risks related to the product, including the risk of damage to or loss of a product, are transferred to the Buyer upon commencing unloading. The Buyer shall be obliged to examine the subject of delivery in order to determine whether it is not damaged in a visible manner as a result of the transportation. If that is the case, the photographic documentation of the defects, as well as the complaint report shall be prepared together with the shipping company.
- 5.6. If at the time of acceptance of the shipment its condition did not raise any objections, and the damage was found while unpacking the shipment, further unpacking shall be discontinued. The Seller shall be immediately, no later than within 3 business days from the delivery, informed about the damage. Any notice after that period shall not be considered. If the defect is found while assembling the Product, the Buyer is obliged to inform the Seller about the defect immediately; otherwise the Buyer shall not be entitled to invoke it as a defect for which the liability is borne by the Seller.
- 5.7. The Seller reserves the right to perform the delivery in parts. In such a case, the Buyer shall each time be obliged to pay for the actually delivered product.
- 5.8. The products shall each time be transferred to the Buyer on the basis of the delivery note. If both Parties sign the delivery note without any reservations, it shall be deemed that the product or agreed part of the delivery has been delivered in the quantity specified in such a note, and there are no patent defects.
- 5.9. If it is not possible to unload the delivered Products in a place of delivery determined by the Parties for reasons beyond the Seller's control, the Buyer shall cover the costs of return transport and the costs of subsequent transportation of the Products to the place of delivery, as well as the costs of storing Products at a flat rate of 2% of the net value of the order/contract for each day of storage of the Products. The above shall not preclude the Seller from claiming damages on general terms.

6. TIME OF DELIVERY

- 6.1. The date of delivery of the Products shall be determined individually by the Parties at the stage of placing and confirming the acceptance of the order or at the stage of signing the contract.
- 6.2. If the Buyer is late with the delivery of the key documents or instructions necessary to perform the subject of the order/contract, or is late in making payments in a manner agreed by the Parties, and the delay in both cases exceeds 7 (seven) days, the Seller shall be entitled to:
 - a) submit a statement of withdrawal from the order/contract following a previous unsuccessful call to the Buyer to make the performance within a period of not less than 3 (three) days;

- b) postpone the delivery date for at least the period corresponding to the period of the delay by the Buyer;
 - c) refuse the delivery by the Seller's transport (if the Parties agreed so) and call the Buyer to collect the Products from the Seller's warehouse at the time set by the Seller.
- 6.3. In the case referred to in paragraph 6.2. point c) above, the Buyer may collect the subject of the order/contract using his own transport, provided that he has previously delivered the documents requested by the Seller, including confirmation of payments made by the Buyer.
- 6.4. If the delivery has been postponed for reasons attributable to the Seller for more than 30 (thirty) days, the Buyer has the right to demand a contractual penalty in the amount of statutory interest on the advance payment, calculated from the day following the expiry of 30 (thirty) days from the date of the planned delivery up to the date of actual delivery. In the event that only part of the delivery is delayed, the calculation of the contractual penalty shall take place in proportion to the part of the advance payment made.
- 6.5. In the event of not collecting the subject of the order/contract by the Buyer within the agreed time, the Seller has the right to unilaterally collect the subject of the order/contract and issue a final invoice to complete the settlement of the order/contract. Notwithstanding the above, the Seller has the right to charge the Buyer with the costs of storage of the Products not collected by the Buyer at a flat rate of 2% of the net value of the order/contract for each day of storage of the Products. The above shall not preclude the Seller from claiming damages on general terms.

7. ASSEMBLY

- 7.1. The assembly of the subject of sale shall be performed by the Seller in accordance with the concluded contract, in the place and time specified by the contract's provisions.
- 7.2. The Buyer is obliged to make available to the Seller's employees the assembly site in a manner enabling assembly works to be performed. The Buyer is obliged to provide the Seller's employees with any documentation requested by the Seller, which will be necessary for the proper assembly.
- 7.3. The commencement of the assembly works by the Seller's employees depends on the Buyer's preparation of mobilisation of work necessary to perform the works and to provide the Seller with the documentation referred in paragraph 7.2. Any delay in the execution of the assembly resulting from the lack of mobilisation of works by the Buyer, handing over the works to the Seller with a delay, failure to fulfil the obligation set out in paragraph 7.2 by the Buyer cannot be treated as a delay attributable to the Seller.
- 7.4. The Buyer shall be liable for any damage caused to the third parties, damage caused in the environment, as well as damage caused to the Seller's employees performing assembly works, if the damage occurred as a result of incorrect information included in the documentation provided by the Buyer. The Buyer shall not be liable for any damage caused as a result of manifest error of the Seller's employees made during their performing the assembly work.
- 7.5. In case of the weather conditions not allowing to execute the assembly works, the Seller shall suspend their performance until the conditions allow performance of the assembly works. The delays resulting from the above obstacles cannot be treated as the Seller's fault.
- 7.6. The installation shall be confirmed by the acceptance report of assembly works signed by the representatives of the Buyer and the Seller.
- 7.7. All remarks concerning the assembly performed by the Seller should be specified by the Buyer in the acceptance report of assembly works.

8. TERMS OF PAYMENT

- 8.1. The Buyer shall be obliged to pay the amount due for the sale of the Product on the date indicated in the invoice. Unless otherwise agreed by the Parties, the Buyer shall pay full prepayment before collection of the Product.
- 8.2. The day on which the cash is credited to the Seller's bank account shall be considered as the date of payment.
- 8.3. The Buyer is not entitled to withhold the payment for the invoice due to complaints submitted by the Buyer or other claims related to the delivery.
- 8.4. In the event of delay in payment, the Seller shall be entitled to charge statutory interest for the delay, or interest for the delay in commercial transactions, at the Seller's discretion. This is without prejudice to the Seller's right to claim compensation from the Buyer due to delay in paying the due amount by the Buyer under the general principles of the Civil Code.

- 8.5. In the event of Seller's delay (regardless of the reasons) in payment of any receivables under the contract of sale, the Seller is entitled to charge the Buyer with the costs of legal, accounting and tax assistance related to the above receivables.
- 8.6. Notwithstanding the above, if the Buyer fails to settle the payment within the prescribed period, the Seller has the right to request a prepayment for the subsequent orders which have already been accepted for execution.
- 8.7. In case of a failure to settle the payment within the period specified in the invoice, the Seller is entitled to stop delivering the products and suspend the performance of the already accepted orders. The Seller may make the performance of the Buyer's new order conditional on making an advance payment if the Buyer is behind with his payments or fails to pay the invoices in a timely manner.
- 8.8. Unless otherwise agreed by the Parties, the payment for the ordered products shall be made without deductions or compensations of the Buyer's counterclaims.
- 8.9. In case of obtaining information about the deterioration of the Buyer's financial standing and limitation of his ability to pay liabilities, the Seller reserves the right to secure the payment for the ordered products. If the securing cannot be obtained immediately, the Seller shall be entitled to suspend the performance of the order/contract until it is obtained. The abovementioned suspension for the reasons specified in the preceding sentence shall not be perceived as the delay attributable to the Seller.

9. RESERVATION OF OWNERSHIP RIGHTS

- 9.1. The Seller reserves the ownership rights to all products included in the order/contract and delivered to the Buyer until the payment for the order/contract and any additional transport costs and/or interest for delay are fully paid, regardless of the place of the products' storage or installation in other objects. In such a case, the Seller reserves the right to retain the movable parts until the payment is settled.
- 9.2. In the event of late payment, the Seller may send a written request to return received but unpaid products. The Buyer is obliged to return all unpaid products at his own cost and risk to the place indicated by the Seller within 14 (fourteen) days from the moment of receiving the request.
- 9.3. If the Buyer acts on behalf or as an intermediary, he shall bear full responsibility for the consequences of abovementioned reservation of ownership rights by the Seller and is obliged to notify thereof the customer or the final purchaser (the Buyer).
- 9.4. The Buyer bears the risk of accidental loss or damage of the Product in the period between its release and the transfer of the ownership rights of the Product onto him.
- 9.5. If the Seller exercises his rights resulting from this point, the Buyer shall be charged with any costs related to the collection of property arising from the Buyer fault, in particular the disassembling of the subjects of sales by the Sellers' employees and transporting these items to the Seller's storage.
- 9.6. Within 7 (seven) days from carrying out the disassembly and transport of the subjects of sales, the Seller shall issue a VAT invoice covering the aforementioned services, which the Buyer shall pay within 7 (seven) days from the date of the invoice issuance.
- 9.7. In the event of exercising the rights resulting from the reservation of ownership, the Seller may demand an appropriate remuneration for wear or damage to the Product at the time of its handing over. The Seller may also demand compensation if the value of the product has been reduced in relation to the product's value specified in the sales invoice.
- 9.8. The Seller is entitled to claim, on general principles, other costs incurred as the result of the necessity to perform an act based on the provisions of this point, as well as damage caused to the Seller, resulting from the Buyer's failure to comply with the provisions of the contract and GCSA regarding the payment deadline.
- 9.9. Upon commencement of the bankruptcy or composition proceedings with respect to the Buyer, he is obliged to mark the Product in a manner indicating the existence of Seller's reservation of ownership rights. In the case of seizing the Product owned by the Seller during the enforcement proceedings directed to the Buyer's property, the Buyer shall immediately inform the Seller of this fact and cooperate with the Seller under all available means in the exercise of his rights to the entity that seizes the Product.
- 9.10. The Seller may entitle the Buyer in writing to further disposal of the Product, which is the subject to reservation of ownership, as part of the Buyer's enterprise, provided that the Buyer at the same time effectively assigns to the Seller a claim against the further Buyer of the Product for making the payment. The assignment secures the Seller's claim for payment of the sale price by the further Buyer and does not exempt him from the obligation to pay the remaining part of the price; in case of further disposal of the Product, the further Buyer is obliged to inform the Seller immediately about the next Buyer.

10. LIABILITY

- 10.1. Within the limits provided by generally applicable legal provisions, the Seller's liability due to non-performance or improper performance of the sale contract is always limited to the amount of the Seller's remuneration for the performance of the order/contract. The above limitation does not apply to damage caused to the Buyer intentionally.
- 10.2. The Seller is solely liable for actual damage, excluding lost profits. The Seller shall not be liable to the Buyer for production stoppages, loss of use, loss of contracts or any other economic loss or indirect damage.
- 10.3. The Seller shall not be liable for damage caused as a result of improper storage of the Products by the Buyer (such as damage caused as a result of mechanical damage, wetting, aggressive environmental factors, etc.).
- 10.4. Upon transferring the product to the authorized person, or upon the acceptance of the assembly of the subject of the order/contract by the Buyer, the risk of damage to the Product, as well as the risk of damage which the Product or its parts may cause to the goods or third parties, passes to the Buyer.
- 10.5. The Buyer shall release the Seller from any liability for damages claims and actions brought by third parties. The Seller's liability towards third parties due to improper and/or unlawful use of the Product by the Buyer or third parties is excluded. The Buyer undertakes to release the Seller from third-party liability for improper and/or unlawful use of the Product. If a third party claims against the Seller for improper and/or unlawful use of the Product, the Seller immediately notifies the Buyer thereof, and the Buyer undertakes to participate in the proceedings against the Seller. Upon request of the Seller, the Buyer shall at his own cost make a statement to repair the good name of the Seller that could have been damaged as a result of such claims. If the release from liability is impossible in the light of the mandatory provisions of law, the Buyer undertakes to return to the Seller justified amounts that the Seller will be obliged to issue regarding claims of third parties.

11. GUARANTEE AND WARRANTY FOR DEFECTS

- 11.1. The liability of the Seller under the seller's warranty for defects is excluded.
- 11.2. The Seller's liability under the guarantee (if the Seller granted a guarantee for the Product), is governed by the Guarantee General Conditions of TLC Sp. z o.o.

12. FORCE MAJEURE

- 12.1. The Seller is not liable for non-performance or improper performance of the order/contract, if it is a consequence of extraordinary events beyond the control of the Seller, in particular the legal act of public authorities or force majeure.
- 12.2. Force majeure means any extraordinary event beyond the control of a given Party, which cannot be foreseen and prevented, also when its avoidance would require undertaking activities whose costs exceed the likely benefits, including in particular: war, civil unrest, natural disasters such as earthquakes or floods, explosion, fire, strike, terrorist attack, mobilization, shortage of resources, transport deficiencies, lock-out.
- 12.3. The Seller shall immediately notify the Buyer about the obstacle in the delivery. In such a case, the Seller is entitled to withdraw from the contract in whole or in part without any indemnity undertakings against the Buyer. The Seller's declaration on withdrawal shall be submitted within 30 (thirty) days from the date of the planned delivery.

13. CONFIDENTIALITY

- 13.1. All information obtained by the Buyer for the purpose of performance of the contract or delivery based on the Buyer's order, shall be used only for that purposes. The Buyer is obliged to keep confidential all the above information. During the term of the contracts concluded with the Seller and after their expiration or termination, the Buyer shall not publish, transmit, disclose or provide any information with regard to the deliveries by the Seller, regardless of the legal basis under which they were performed.
- 13.2. All documents, plans, data and other information as well as their media provided to the Buyer by the Seller with regard to the delivery remain the property of the Seller. After the expiration or termination of the legal relation between the Parties, they shall be returned to the Seller.
- 13.3. The Buyer shall take all necessary measures to ensure that his employees and subcontractors comply with the abovementioned confidentiality rules.
- 13.4. If Buyer violates his obligations required by the provisions of this clause 13, the Seller shall be entitled to require the immediate cessation of the violation and removal of its effects. Notwithstanding the

above, the Buyer shall be obliged to pay a contractual penalty in the amount of 500 000,00 PLN (five hundred thousand Polish Zloty) for each violation, which shall not exclude the Seller to claim compensation for damage sustained under the general principles of the Civil Code.

- 13.5. The confidentiality rules do not prejudice the Parties' obligation to provide information to authorized bodies, as well as right of the Parties to publish general information about their activities and information whose disclosure is specified by generally applicable legal provisions.

14. CHANGE AND WITHDRAWAL FROM THE ORDER/CONTRACT

- 14.1. All changes to the order/contract require acceptance of both Parties and must be in a written form; otherwise they will be invalid.
- 14.2. If the Buyer withdraws from the order/contract before the Seller starts to perform the order/contract, the Buyer is obliged to pay a contractual penalty in the amount of 10% of the net value of the order/contract. The Seller reserves the right to claim further compensation on general conditions.
- 14.3. If the Buyer withdraws from the order/contract after the Seller has started to perform it (after the commencement of production), the Buyer is obliged to pay the agreed amount in full.
- 14.4. The Seller may withdraw from the order/contract in whole or in part within one year from the date of learning of the occurrence of any of the following circumstances:
- a) the Buyer announces the liquidation of the enterprise or becomes insolvent;
 - b) the restructuring proceedings are commenced by the Buyer's creditors;
 - c) the Buyer refuses to collect the object of the order/contract or its part, which has no defects, without reasonable justification;
 - d) the Buyer refuses to pay remuneration for performed work without reasonable justification, or delays the payment of remuneration over 14 (fourteen) days despite the Seller setting an additional, not shorter than 3 (three) days, deadline for performing the obligation;
 - e) the Buyer does not cooperate with the Seller in performing the order/contract which makes it impossible to carry out works, after prior call for cooperation under pain of withdrawal.
- 14.5. The withdrawal will take effect upon the delivery of the declaration of withdrawal to the other Party. It will have effect for the future and the Parties preserve the rights acquired prior to the date of withdrawal, in particular the Seller's right to receive due remuneration for the works performed.
- 14.6. Notwithstanding the Clause 14.5., in case of withdrawal from the order/contract by the Seller for reasons attributable to the Buyer, the Buyer is obliged to pay a contractual penalty in the amount of 10% of the net value of the order/contract. The Seller reserves the right to claim further compensation on general conditions.
- 14.7. The withdrawal from the order/contract should be made in a written form; otherwise it will be invalid. The reason of the withdrawal shall be specified.

15. PERSONAL DATA PROTECTION

- 15.1. Due to the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46 / EC (hereinafter "**GDPR**"), by placing an order or signing a contract, the Buyer declares that he knows the information regarding the processing of personal data by the Seller available on the website: <https://www.tlc.eu/privacy-policy/>. The Buyer, by providing information mentioned in preceding sentence, shall inform persons whose personal data will be processed by the Seller and who were indicated for contact purposes and for purposes related to the implementation of the order/contract, about the purposes of processing, the entities to which the data were provided, the period of personal data processing and the rights of such persons related to the processing of their personal data.
- 15.1. The Parties declare that:
- a) to perform the order/contract to the extent necessary to exercise the rights and obligations resulting from the cooperation, each Party will provide the other Party with the personal data of the authorized persons e.g. names, place of work, position, phone number, employees' e-mail address, co-workers, industry advisors, contractors, subcontractors and other persons acting for these entities, as well as personal data included in documents provided with regard to performance of the order/contract;
 - b) the Party providing personal data remains the administrator of personal data within the meaning of Article 4 (7) of the GDPR with regard to the persons indicated in point a) above;

for the avoidance of doubt, regardless of the content of point b) above, when the other Party provides the personal data specified in point a), the other Party may process personal data of persons entitled under the provision of Article 6.1. point f) of the GDPR.

- 15.2. Each Party provides sufficient guarantees to implement appropriate technical and organizational measures to ensure that the processing of personal data meets the requirements of the applicable provisions on the protection of personal data, including the provisions of the GDPR.
- 15.3. The parties shall inform each other immediately about the breach of personal data protection provisions, if such breach may affect the performance of duties by the other Party or may result in its liability.

16. FINAL PROVISIONS

- 16.1. For the avoidance of doubt, in matters not covered by this GCSA or order/contract, the provisions of the Civil Code and other generally applicable provisions of the Polish law shall apply.
- 16.2. If any provisions of this document prove to be invalid or ineffective, it will not affect the validity and effectiveness of the remaining provisions. In such a case, the Parties undertake to replace provisions deemed invalid or ineffective by the valid or effective provisions with the content as close as possible to the former provisions which shall reflect the prior will of the Parties.
- 16.3. Any dispute that may arise between the Parties, including matters regarding the existence, interpretation, validity or termination of an existing legal relation, shall be resolved by the relevant common court in Krakow, Poland.
- 16.4. The GCSA excludes the applicability of the Vienna Convention of 11 April 1980 on Contracts for the International Sale of Goods.