



# GENERAL PURCHASE CONDITIONS OF PREVAC SP. Z O. O.

This document (hereinafter GPC) specifies the general purchase conditions of the company PREVAC sp. z o.o., constitutes an integral part of Purchase Orders and is binding for both Parties unless the Parties have expressly agreed in writing otherwise.

## 1. General provisions

- 1.1. These GPC shall apply to all goods and services purchase transactions entered into by the company PREVAC sp. z o.o.
- 1.2. The following terms used in GPC shall have the following meanings:  
**PREVAC** – the company PREVAC sp. z o.o. with its registered office at the following address: ul. Raciborska 61, Rogów (postal code 44-362), Poland, number of entry in the National Court Register: 0000130401; tax identification number NIP: 647-17-82-175;  
**Supplier** – a party to a purchase transaction who sells goods or services to PREVAC.  
**Parties** – PREVAC and the Supplier;  
**Purchase Order** – PREVAC's written declaration of will addressed to the Supplier which expresses its intention to purchase goods or services;  
**Products** – products, goods or services whose delivery or performance is ordered from the Supplier by PREVAC by way of placing a Purchase Order;  
**GPC** – these General Purchase Conditions of the company PREVAC Sp. z o.o. with its registered office in Rogów.
- 1.3. These GPC shall be the only and complete contractual arrangement binding the Parties with respect to the purchase of goods and services. All other conditions used by the Supplier shall not apply.

## 2. Offer and Purchase Order

- 2.1. An offer submitted by the Supplier shall not cause any costs or obligations for PREVAC, also in the event that such an offer has been prepared at PREVAC's request.
- 2.2. The Supplier's offer shall fully respond to PREVAC's request. The Supplier shall be obliged to mark expressly all deviations of its offer from PREVAC's request.
- 2.3. The only binding document confirming or accepting the Supplier's offer or proposal shall be a written Purchase Order drawn up by PREVAC.
- 2.4. The Supplier shall deliver the Product on the basis of the Purchase Order placed with the Supplier in writing, by email (purchases in an Internet shop) or fax.
- 2.5. In the Purchase Order, PREVAC shall specify the conditions of fulfilling the Order.
- 2.6. The Supplier shall be obliged to use a Purchase Order number in all documentation and correspondence related to the fulfilment of the Order.
- 2.7. In response to the submitted Purchase Order, the Supplier shall confirm in writing, by email or fax, the acceptance of the Order within three working days from the reception of the Purchase Order. A confirmation of the Purchase Order shall constitute full acceptance of detailed conditions for the fulfilment of PREVAC's Purchase Order and full acceptance of the provisions of these GPC.
- 2.8. The Buyer's fulfilment of the Purchase Order without the Buyer's sending a relevant Order confirmation shall be regarded by PREVAC as the Buyer's acceptance of the Order together with the conditions specified in the Order and consistent with these GPC.
- 2.9. The Supplier may not cede the fulfilment of the Purchase Order to any third parties without PREVAC's written consent.

## 3. Price

- 3.1. The Parties shall regard the price specified in PREVAC's Purchase Order as final and binding. The price specified in the Purchase Order shall cover the delivery of the subject matter of the Order according to the conditions specified in the Purchase Order. Should the price be based on the Supplier's price list, the price effective on the date of placing the Purchase Order shall apply.
- 3.2. PREVAC shall allow for the possibility of the Supplier's lowering the price of the Product. In the event of a price increase, the Parties shall be obliged to confirm, in writing, a change in the price occurring during the course of the fulfilment of the Purchase Order.
- 3.3. The Supplier shall be obliged to notify PREVAC in writing of changes in its price lists.

## 4. Payments

- 4.1. The Supplier shall issue an invoice in accordance with the applicable legal regulations and the detailed conditions specified in the Purchase Order.
- 4.2. The Supplier shall include the number of the Purchase Order in the invoice. The absence of the Purchase Order number may cause a delay in payment. If the invoice does not include the Purchase Order number, the Supplier shall not be entitled to charge interest for delayed payment or to initiate a debt collection procedure.
- 4.3. Unless the Parties have agreed upon in writing otherwise, payments will be effected within 30 days from the date of the correctly issued invoice provided that PREVAC receives the invoice within 7 days from its issue.
- 4.4. Any conditions of payment, specified by the Supplier in the invoice, which are less favourable than those specified in the Purchase Order shall be ineffective for PREVAC.
- 4.5. Any advances shall be paid to the Supplier on the basis of a pro forma invoice and shall apply towards the price of the Product.

## 5. Deliveries

- 5.1. Deliveries shall be made in a manner consistent with the requirements specified in the Purchase Order.
- 5.2. Deliveries shall be made in accordance with INCOTERMS 2010. Confirmed and mutually accepted dates of deliveries of the Product shall be absolutely binding.
- 5.3. In the event that the delivery date may not be met, the Supplier shall notify PREVAC of the expected period of delay and the reasons for delay in writing, by email or fax. The lack of the aforementioned information and a delay in the delivery shall result in the calculation of penalties specified in paragraph 9 of these GPC. In the event that a delivery is delayed after a previous notification, financial consequences under paragraph 9 of these GPC may be negotiated.
- 5.4. A delivery before the agreed upon date may be made only with PREVAC's consent provided that the date of payment for the invoice shall be extended by the period of the earlier delivery.
- 5.5. A partial delivery shall require PREVAC's written consent unless the Purchase Order stipulates otherwise. In the event that the partial delivery is not confirmed, the Supplier shall give its consent to issue the invoice after the complete delivery.
- 5.6. Together with the Product, the Supplier shall provide a delivery document specifying the contents of the shipment with respect to type and quantity. The Supplier shall specify the Purchase Order number in the delivery document and shall mark the shipment with the Purchase Order number. The lack of the Purchase Order number in the delivery document may cause a delay in payment.
- 5.7. The Product shall be manufactured in accordance with the content of the Purchase Order, effective standards and legal regulations. Together with the delivery, the Supplier shall provide PREVAC with necessary documentation related to the subject matter of the delivery, EC Declarations of Conformity, warranty documents, operating manuals as well as other documents whose types and dates of delivery are specified in the Purchase Order.
- 5.8. The signing of a waybill by PREVAC's representative shall not constitute proof of acceptance of the subject matter of the Purchase Order and simultaneously it shall not be equivalent to a confirmation that the subject matter of the Purchase Order has been accepted without reservations and/or has been delivered in accordance with the Purchase Order.
- 5.9. PREVAC may refuse to accept the Products exceeding the quantity specified in the Purchase Order. PREVAC shall notify the Supplier of the place and date at which such excess Products should be collected by the Supplier. The Supplier shall collect such excess Products at its own cost and using its own means of transport. Should the Supplier fail to collect such excess Products at the time specified by PREVAC, PREVAC shall be entitled to charge the Supplier storage costs or to send the Products to the Supplier at the Supplier's cost and risk. The Supplier shall not be entitled to invoice the quantities of the Products that are inconsistent with the Purchase Order without PREVAC's consent.
- 5.10. The transfer of the title to the Products and all related risks shall take place at the time of delivery, in accordance with INCOTERMS 2010.
- 5.11. Should PREVAC have any doubts concerning the proper manufacture of the Product, at its request, the Supplier shall provide at its cost the following: the results of conducted examinations or tests, models, certificates of conformity, proof of material inspections or any other necessary documents, or shall take any other action in order to prove that the Product complies with the Purchase Order. As long as the aforementioned circumstances have not been confirmed, the delivery shall not be regarded as made or the service shall not be regarded as performed. In such a case, the Supplier shall not be entitled to issue an invoice unless the Parties have agreed upon conditions of payment other than those specified in paragraph 4 of these GPC.

## 6. Statutory warranty and quality warranty

- 6.1. The Supplier assures that it has obtained all legally required permits, certificates, approvals as well as any other documents necessary for the correct and legally valid conduct of business activities, and necessary for the proper performance of its obligation to PREVAC. PREVAC reserves the right to check the aforementioned documents.
- 6.2. The Supplier guarantees that the Product constitutes its exclusive property and is free of any encumbrances.
- 6.3. The Supplier guarantees that the Products to be delivered under the Purchase Order are new (unless the Purchase Order specifies otherwise), checked with respect to their safety and quality, and approved for sale in the area of their intended use.
- 6.4. Unless the Parties have agreed otherwise, the warranty period shall be 24 months from the date of the quality acceptance procedure conducted by PREVAC.
- 6.5. If the Supplier requires the presentation of a warranty document in the event of a warranty claim, such a warranty document shall be provided to PREVAC at the latest at the time of the delivery of goods / the performance of a service.
- 6.6. The Supplier shall be liable to PREVAC for all defects in the Product, including latent defects.



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- 6.7. During the warranty period, in connection with the handling of PREVAC's warranty claims, the Supplier shall correct all faults or defects identified in the Product free of charge and shall replace, free of charge, all parts which become defective during the warranty period.
- 6.8. As warrantor, the Supplier shall handle PREVAC's warranty claims within 14 days from the date of submitting a warranty claim, unless the Parties have agreed upon otherwise.
- 6.9. In the event that, for reasons independent of the Supplier, the correction of faults and defect is not possible within the period specified in paragraph 6.8, the Supplier shall notify PREVAC thereof in writing immediately, giving another date for the correction of faults and defects, which, however, shall be within 60 days from the date of submitting the warranty claim. The aforementioned date shall be binding after it has been approved by PREVAC in writing.
- 6.10. All work under the warranty claim shall be performed in the place where the Product was located at the time when the defect was identified. Should this be impossible, the Supplier shall transport the Product or its part, at the Supplier's own cost and risk, to a place where the correction of a defect/fault is possible. Immediately after a defect/fault has been corrected, the Product or its part shall be transported back, at the Supplier's cost, to the place where the defect has been identified.
- 6.11. PREVAC shall be entitled to charge the Supplier all costs related to the handling of warranty claims.
- 6.12. Should the Supplier fail to correct a defect or fault at the aforementioned time, PREVAC shall be entitled, at its own discretion, to perform necessary repairs at the Supplier's cost and risk, retaining all rights under the warranty or to terminate the agreement with immediate effect.
- 6.13. When a physical defect is corrected (a repair is performed), the warranty period shall be extended by the duration of the Product's inactivity caused by the repair and in the case of major repairs, the warranty period shall commence anew.
- 6.14. PREVAC shall have all rights under the statutory warranty for physical defects resulting from the applicable legal regulations. The statutory warranty period shall be 1 year from the date of the performance of a service / the acceptance of goods.

## 7. Confidentiality

- 7.1. The Parties shall regard all information acquired by the Supplier in connection with the fulfilment of the Purchase Order, including in particular all organisational, commercial and technical information concerning PREVAC which is not publicly available, as confidential information which shall not be disclosed to any third parties. This obligation shall not apply to circumstances in which information must be disclosed under the applicable legal regulations.
- 7.2. In particular, the Supplier shall regard as confidential all information concerning trade volumes, prices, discounts, product specifications, logistics arrangements, technological data, under pain of PREVAC's annulment of the Purchase Order for reasons attributable to the Supplier and penalties pursuant to paragraph 9 of these GPC.
- 7.3. The Supplier declares that it shall use confidential information exclusively for the purpose of fulfilling the Purchase Order and shall ensure that confidential information is properly secured.
- 7.4. The confidentiality obligation shall remain in force for an unlimited duration after the fulfilment of the Purchase Order and may be revoked only on the basis of PREVAC's written consent.

## 8. Supplier's liability for improper fulfilment of Purchase Order

- 8.1. The Supplier shall indemnify and hold PREVAC harmless against all possible claims of third parties related to goods, parts and materials covered by any patent, licence or registered design. In the event of any proceedings related to such claims, the Supplier shall defend PREVAC directly at its own cost.
- 8.2. Should the Product fail to meet the conditions specified in the Purchase Order, PREVAC may, at its own discretion, annul the Purchase Order or demand a reduction in the price. In the event that PREVAC annuls the Purchase Order, PREVAC shall make the Product available for the Supplier, and the Supplier shall be obliged, depending on PREVAC's demand, to deliver the Product which fully meets the requirements of the Purchase Order, covering all transport costs, or to refrain from charging PREVAC for the delivery and to reimburse all damage and/or costs incurred by PREVAC.
- 8.3. PREVAC reserves the right to annul, in part or in whole, the Purchase Order which is not fulfilled by the date specified in the Purchase Order, without any obligation to pay the Supplier any damages. Simultaneously PREVAC reserves the right to claim damages from the Supplier for the improper fulfilment of the Purchase Order under the general provisions specified in the Civil Code and to claim reimbursement of all costs incurred in relation to the substitute fulfilment of the Purchase Order or opportunity costs. The annulment

of the Purchase Order shall be submitted to the Supplier in writing and it shall be effective immediately.

- 8.4. PREVAC reserves the right to charge the Supplier contractual penalties, pursuant to paragraph 9 of these GPC.

## 9. Contractual penalties

- 9.1. For delay in the fulfilment of the Purchase Order, the Supplier shall pay PREVAC a contractual penalty of 2% of the value of the Purchase Order for each day of delay.
- 9.2. For delay in the correction of a fault or defect during the warranty period, the Supplier shall pay PREVAC a contractual penalty of 2% of the value of the Purchase Order for each day of delay from the date specified as the date of correcting a fault or defect.
- 9.3. For the Supplier's annulment of the accepted Purchase Order, the Supplier shall pay PREVAC a contractual penalty of 200% of the value of the Purchase Order.
- 9.4. Should PREVAC annul the Purchase Order for reasons attributable to the Supplier, the Supplier shall pay PREVAC a contractual penalty of 200% of the value of the Purchase Order.
- 9.5. For any breach of the confidentiality clause, the Supplier shall pay PREVAC a contractual penalty of 200% of the value of the Purchase Order.
- 9.6. PREVAC reserves the right to claim supplemental damages should losses caused by events specified in paragraphs 9.1 – 9.5 of these GPC exceed the amount of the contractual penalty.

## 10. Annulment of Purchase Order

- 10.1. PREVAC shall be entitled to annul the placed Purchase Order or to withdraw in part or in whole from the Purchase Order on the basis of a notification provided to the Supplier and without calling the Supplier to fulfil its obligation in the following circumstances:
  - 10.1.1. the Supplier declares its bankruptcy, winding up or termination of business activities,
  - 10.1.2. the Supplier divides, merges or disposes of its enterprise,
  - 10.1.3. the Supplier fails to fulfil any of its obligations under the detailed conditions specified in the Purchase Order or these GPC.

## 11. Evaluation of Supplier

- 11.1. PREVAC shall carry out periodic evaluations of Suppliers comprising in particular the timeliness of deliveries, price levels, the completeness and quality of deliveries as well as the quality of customer services. Should such an evaluation be negative, the Supplier may be rejected or conditionally admitted to further cooperation.
- 11.2. At PREVAC's request and at the time specified by PREVAC, the Supplier shall provide information on its implemented quality system; in particular, it shall provide all documents confirming certification, accreditation or the implementation status of its quality system.

## 12. Final provisions

- 12.1. To all matters not settled in these GPC or a separate agreement, the relevant provisions of the Civil Code shall apply.
- 12.2. All verbal agreements between the Parties shall be binding only after they have been confirmed by the Parties in writing or in a manner specified in these GPC; otherwise all such verbal agreements shall be null and void.
- 12.3. All Purchase Orders shall be interpreted and fulfilled pursuant to the laws of the Republic of Poland.
- 12.4. Pursuant to Article 6 of the United Nations Convention of Contracts for the International Sale of Goods of 11 April 1980, the application of the Convention to the legal relationship between the Parties shall be expressly excluded.
- 12.5. Should particular provisions of these GPC appear to be invalid or ineffective, this shall have no impact on the validity and effectiveness of the other provisions. In such circumstances, the Parties shall adopt such new provisions which shall reflect the intentions of the previous provisions in a valid and effective manner.
- 12.6. All disputes or claims arising during the course of fulfilling the Purchase Order which the Parties have failed to resolve amicably shall be referred for settlement to a court of law competent for the registered office of PREVAC.
- 12.7. All Suppliers shall be bound by these GPC unless an individual agreement provides for otherwise.
- 12.8. PREVAC reserves the right to amend these GPC without an obligation to notify interested parties of such amendments.
- 12.9. In order to facilitate international communication, these GPC have been drawn up in the Polish and English language versions. Should there occur any disputes concerning language discrepancies, the Polish language version shall prevail.
- 12.10. These GPC have been implemented as of 01.07.2016