

Fabryka Kabli ELPAR Sp. z o.o. in Parczew

GENERAL CONDITIONS OF SALE

Approved by: President of the Management Board

§1. General provisions

1. General conditions of sale (OWS) shall define the principles for concluding the sales agreements of the products offered by Fabryka Kabli ELPAR S p. z o. o. in Parczew incorporated into the entrepreneurs' register KRS conducted by the District Court in Lublin XI Commercial Division of the National Court Register under KRS number 0000320919 (hereinafter referred to as ELPAR). General conditions of sale shall also be applicable to the agreements concluded with the consumers (the act of 27 July 2002 on special conditions of consumer sales, change of the Civil Code - J. of L. No. 141, it. 1176, which came into force on 1 January 2003 and Directives of the Council of the European Community 85/374/EEC), unless the applicable provisions state different conditions.
2. General conditions of sale shall constitute an integral part of all sales agreements concluded with ELPAR. Deviation from the conditions resulting from OWS in the scope of the dates of payment, prices, level of the merchant credit and security for ELPAR may result exclusively from individual arrangements between the parties concluded in separate cooperation agreements concluded in writing. In such a case, OWS are obligatory in the scope, in which the written agreement does not contain their change. OWS are available in the seat of ELPAR.
3. Concluding the agreement shall require to submit the order by the Purchaser. The sales offers of ELPAR are not binding until written confirmation is issued by ELPAR concerning acceptance of the order or issue of the invoice. Upon confirming by ELPAR the acceptance of the order or issue of the invoice the agreement with the Purchaser is concluded. The realization dates of the order are binding for ELPAR only when they are confirmed in writing in the confirmation of the order acceptance.
4. In case of exceeding the confirmed date of delivery above 30 days the Purchaser may indicate for ELPAR an additional period of 7 days from its realization. If after the lapse of the period, the goods are not delivered or the order realization is not possible, the Purchaser may withdraw from the agreement. In the situation, ELPAR shall return to the Purchaser the

prepayment made by him with statutory interest counted from the day of making the prepayment. Further claims are excluded.

5. The orders and statements of the parties are submitted in the course of negotiations of conditions of particular supplies as well as during later performance thereof should be submitted each time in writing. The requirement of written form shall be considered as preserved in case of sending the statement of will by fax or by email. In case of doubts, placing the order on behalf of the Purchaser shall constitute at the same time the statement containing the order that he is entitled to represent the Purchaser.
6. The orders should contain the following: The name of the Purchaser, number of the order and date of its issue, amount and assortment of the goods ordered, place of the goods' delivery, suggested date of delivery of the goods, signature of the person authorized to act on behalf of the Purchaser.

§2. Offers, patterns and prices

1. Offers, advertisements and other announcements on the products offered by ELPAR are only of informative nature. Patterns and samples issued by ELPAR are only of nature of review and exhibition materials.
2. The prices defined in the Price List are applicable for all clients. The deviation from the prices contained in the price list is possible only in individually established written cooperation agreements or in sales invoices.
3. The price list of the goods is available on the website of ELPAR: www.elpar.pl and in the seat of ELPAR. Changes in the price list of the goods shall be reported on the website and in the seat.
4. In case of concluding the sales agreement, the prices from the day of placing the order shall be applicable provided the agreed date of collecting the ordered goods shall fall not later than within 7 calendar days from placing the order. In case of a later date the current price on the collection day shall apply.

§3. Terms of payment

1. The payment for the goods obtained should take place at the latest on the day of collecting the goods to the bank account indicated in the order confirmation or on the invoice.
2. Another date of payment than the one indicated in point 1 shall be indicated on the Sales invoice or in the individual cooperation agreement defining the terms of payment. Concluding such an agreement may depend on placing the payment security by the Purchaser in the form established with ELPAR.
3. If the Purchaser does not make the payment on the agreed date, then ELPAR has the right to refuse to give the goods until presenting the payment confirmation. It also refers to the next orders in case of individually defined deferred dates of payment.
4. The date for performing the provision by the Purchaser is the date of transferring the due amount to the account of ELPAR, confirmed by the bank of ELPAR, i.e. the date for recognising the account of ELPAR.
5. In case of overdue payment ELPAR shall be entitled, without additional calls, to demand the default interest in the statutory amount applicable on the date of payment of the VAT invoice. The interest for delay is counted from the day following the day, on which the period for payment lapsed.
6. Placing the complaint does not entitle the Purchaser to withhold the payment for the goods or their part unless the parties agree otherwise.
7. The Purchaser has no right to make the payment by means of deducting the receivables due to him in relation to Kupujący ELPAR, no matter the title of the due amounts to which he is entitled.

§4. Conditions of delivery

1. In the order it is defined whether the goods will be collected by the Purchaser in his own scope from the warehouse of ELPAR, or they are to be delivered by ELPAR to the seat of the Purchaser or another place in Poland indicated by the Purchaser.
2. ELPAR shall be authorised to perform partial deliveries.

3. ELPAR reserves the right to send in the amounts corresponding to the full packages.
4. The risk of the accidental loss or damage of the goods shall pass onto the Purchaser upon giving the goods to the Purchaser.
5. ELPAR delivers the goods at the cost of the Purchaser unless the parties state otherwise. ELPAR shall be entitled to select the method of transport and the person of the carrier. In this, it shall take into account the interest of the Purchaser, however it does not guarantee the selection of the cheapest transport or package for the Purchaser. Upon written demand of the Purchaser, ELPAR shall send the goods at the cost of the Purchaser in accordance with his requests.
6. The return of the goods is possible only in case of an earlier consent of ELPAR. In such a case the Purchaser shall bear all liability and the costs until the moment of transferring the goods to the warehouse of ELPAR.
7. Quantities actually delivered may differ from the ordered ones +/- 5% which does not constitute the basis for the complaint or not accepting the supply by the Purchaser.

§5. Collection of goods

1. Upon giving the goods by ELPAR, all benefits and burdens pass onto the PURCHASER connected with the goods and danger of their accidental loss or damage.
2. The prices of the goods presented in the PRICE LIST of ELPAR should be understood as prices LOCO Warehouse ELPAR.
3. The place for providing the provision by ELPAR, being the place for giving the goods to the Purchaser is the Warehouse of ELPAR.
4. ELPAR shall transfer the VAT invoices issued to the Purchaser in the following manner:
 - a) In the place of collecting the goods by the Purchaser, signing the invoice shall constitute at the same time the statement of the signatory that he is entitled to represent the Purchaser;

- b) At the request of the Purchaser, while sending the original of the VAT invoice by mail, and at the request of the Purchaser also at the fax number indicated by the Purchaser.
- 5. ELPAR shall not be responsible for the damages caused during transport. The Purchaser shall be obliged to examine the completeness of the shipment carefully directly on the collection and establish any shortages or damages of the goods caused during loading/unloading.

§6. Packaging of the goods

- 1. Cable drums, pallets and big bags are the packages sold to the Purchaser upon selling the goods located on the drum/pallet applicable on the invoicing day of the package price list. Each multiple-use drum, sold to the Purchaser is respectively marked with an abbreviation of the name of the company and the number in the manner facilitating its identification.
- 2. For the returnable packages, ELPAR shall issue the VAT invoice with the VAT rate consistent with the applicable provisions.
- 3. On the delivery date, the Purchaser shall be obliged to check the technical condition of the cable drums obtained with the goods and mark each time in the protocol of non-conformities or on the invoice that the drum obtained is damaged or excessively worn out (fractures, rotting, etc.). Otherwise it is considered that the Purchaser obtained the drum in a good condition.
- 4. ELPAR may deliver the goods on returnable pallets. In case of realizing the supplies by transport of ELPAR the return of pallets may take place under the principle of exchange i.e. the Purchaser places at the disposal of ELPAR the same number of pallets, on which he obtained the goods. If upon the supply, the Purchaser shall not possess a proper number of pallets allowing for exchange in relation 1:1 the amount of the pallets resulting from the difference between the pallets delivered and returned will be invoiced.
- 5. The package damaged or not fulfilling the quality requirements is not subject to return/exchange. The conditions for resale or return of the package damaged or excessively worn out shall be each time agreed with ELPAR. The drivers bringing the goods will be entitled to control the quality of the pallets on behalf of ELPAR and make the proper selection thereof.

6. In case of failing to quality by ELPAR packages as non-returnable, they will remained by ELPAR at the disposal of the Purchaser for the period of 14 days from the day of transferring by the Purchaser, and ELPAR shall immediately inform the Purchaser thereof. After the lapse of the period of 14 days, the Parties agreeably decide that the package placed at the disposal of the Purchaser shall be disposed.
7. With stipulation of point 4 of the paragraph, the Purchaser undertakes to return the returnable package at his own cost to ELPAR unless the parties state otherwise.
8. Damages or excessively worn our packages can be resold by the Purchaser to the Supplier at the price of its purchase by the Purchaser from ELPAR or return to ELPAR in the period of 360 days from the date of their sale by ELPAR. The return of packages after the lapse of 360 days shall require individual arrangements with ELPAR. ELPAR shall accept the package returned by the Purchaser only if the return takes place with a proper delivery document delivered with the packages returned and he will then issue the correction invoice or will arrange with the Purchaser that he will issue the sale invoice of packages.
9. ELPAR has the right to report the complaint concerning the packages returned within 7 days from the day of their obtaining.

§7. Complaint

1. All complaints should be reported immediately and in writing to ELPAR.
2. In the complaint letter one should provide the number of the VAT invoice or the WZ number and the purchase date of the material complained.
3. In case of quantity complaints (the shortage or destruction of the goods) the report may be made at the latest on the day of loading the goods or on the unloading day, if the delivery was realized with the transport organized by ELPAR. In this case the protocol of discrepancies will be prepared by the pattern of ELPAR. The protocol must be signed by the driver and the person authorized from the Purchaser.
4. The quality complaints may be reported by the Purchaser within 7 days from the day of issue of the goods or within 7 days from the day of revealing the hidden defect of the goods, no later however than within 2 years from giving the goods to him. On considering the complaint, their reasonability is assessed with applicable technical standards being taken into accounts. Small deviations – referring, for example, to colour - in relation to the goods

issued by ELPAR as the exhibition or offered material, are not treated as defects.

5. The complaint should be recognised within 14 days of its reporting unless the defects reported shall require additional technical or lab tests.
6. In case of accepting the complaint as justified, ELPAR may, in agreement with the Purchaser, either exchange the goods into the new ones – free from defects – or properly return the paid purchase price. Arranging the complaint in the manner described above excludes the possibility to demand further compensation.
7. Until the final consideration of the complaint, the Purchaser shall be obliged to store the complained goods in a proper manner, preventing from their damage or causing quantity shortages.
8. Failing to consider the complaint on the above foreseen dates, results in losing the rights to lodge a complaint.
9. In each case of the complaint, the basis to consider it by ELPAR is to prepare the complaint protocol immediately after reporting by the Purchaser.
10. ELPAR shall not bear liability for the damages caused during transport and unloading of the goods.
11. ELPAR shall not bear liability for the damages caused by improper application or storing the goods by the Purchaser and performance and design errors of the third persons. In particular, the complaint is not allowed for the Purchaser when:
 - a) the Purchaser or the third person used the goods in the manner inconsistent with their purpose;
 - b) the Purchaser or the third person at his own discretion made changes in the goods;
 - c) status of the scientific and technical knowledge during distribution of the goods did not allow for detecting defects therein;
 - d) after taking into account certain circumstances there is a probability that the defect causing the damage did not exist at the moment when the goods were introduced into trade by ELPAR or that it was created later;

- e) the goods manufactured by ELPAR were not allocated for sale or for other forms of distribution for achieving profit and that they were not manufactured nor distributed in the scope of his business activity.

§8. Reservation of the ownership of the goods

1. The goods sold by ELPAR shall remain its property upon fulfilling all liabilities by the Purchaser towards ELPAR for the sales agreement or supply agreement concluded and in particular until the payment of the whole price.
2. The subjects remaining the property of ELPAR may not become the subject of a pledge nor be used as the security for the liabilities of the Purchaser in any other form.
3. In case of sale by the Purchaser of the goods being the property of ELPAR, the Purchaser, for the security, undertakes to transfer immediately and free of charge, all liabilities on ELPAR to which the Purchaser is entitled towards the purchaser of the goods. In case of failing to keep the date of payment by the Purchaser, upon demand of ELPAR, the Purchaser shall inform ELPAR and his debtors on transferring the liabilities, transferring at the same time to ELPAR all documents, which will be necessary for the enforcement of the liabilities. The above liabilities ELPAR undertakes to transfer again on the Purchaser upon settling all liabilities of the Purchaser towards ELPAR.
4. If the Purchaser does not pay the liabilities towards ELPAR on the agreed date, ELPAR has the right to collect the goods. The Purchaser is then obliged to give the goods immediately to ELPAR. The collection of goods is not definite with the withdrawal from the agreement.
5. The Purchaser is obliged to the activities aiming at preventing the enforcement activities by the third persons in relation to the goods being the property of ELPAR, as well as in relation to the liabilities, referred to in § 8 point 3. About such a case the Purchaser shall notify ELPAR immediately and shall transfer to ELPAR all documents which will allow for him to start the case.

§9. Final provisions

1. In the issues not settled in these General Sales Conditions, the provisions of the Civil Code shall apply.
2. ELPAR and the Purchaser will seek to settle the disputes amicably which resulted in connection with performing the agreements covered with these conditions. In case of inability to settle case amicably, the court competent for the seat of ELPAR shall be proper to settle the dispute or another one selected by ELPAR in accordance with the applicable provisions. In case of invalidity of some other provisions of General Sales Conditions as a result of introducing different statutory regulations, the remaining provisions shall remain valid.