

General Conditions of Sale and Delivery in Domestic Trade of SEW-EURODRIVE Polska Sp. z o.o.

§ 1 Conclusion of Agreement

- (1) The basis for the conclusion of an agreement is the submission of a written order by the Buyer on the basis of the offer made by the Seller or another special agreement in writing with regard to these terms and conditions. The Seller's conditions of sale are in force unless the Seller confirms in writing the acceptance of other conditions. Orders are considered accepted when the Seller confirms their receipt in writing.
- (2) If the Buyer changes technical and financial conditions of sales transactions presented in the offer, further negotiations and arrangements between the Parties are necessary. The Seller shall then present to the Buyer a new offer including the changes agreed by the Parties.
- (3) If changes are made to your order by the Buyer in the course of its execution, the Seller is entitled to demand from the Buyer to meet the costs incurred for the execution of the primary version of order.
- (4) The offers of the Seller are not binding. The agreement shall be deemed concluded upon confirmation of the order by the Seller in writing.
- (5) The Seller reserves the property right and protection by copyright to models, illustrations, drawings, calculations and similar material and non-material information – also in an electronic form. A prior written consent of the Seller is required to transfer documents and information to third Parties.
- (2) The handing over of goods to the Buyer occurs once the carrier is entrusted with the goods by the Seller in order to deliver the goods to the destination.
- (3) The Parties may agree that the Seller will transport the goods for a fee to the place indicated by the Buyer. The Buyer is obliged to provide, at his own cost, the unloading of the goods at the delivery location
- (4) The Seller and the Buyer may also agree in the agreement other terms and conditions for the delivery of goods.
- (5) In any case the decision about a possible insurance of the goods for the time of transportation and the cost of such insurance are incurred by the Buyer.
- (6) At the time of receiving the goods, the Buyer is obliged to check the goods - in terms of quality and quantity, under pain of losing the right to refer to any defects and deficiencies at a later date. The existence of minor defects stated by the Buyer at the time of acceptance cannot be the reason for the refusal to accept the goods.
- (7) The risk of loss or damage to the goods is transferred to the Buyer upon handing over of the goods or a part thereof by the Seller.
- (8) If delivery of the goods is delayed for the reasons for which the Buyer is responsible, the risk of accidental loss or damage to the goods will be transferred to the Buyer at the moment when the goods are prepared for delivery, about which the Seller will inform the Buyer in writing.

§ 2 Price and Payment Terms

- (1) The prices are ex warehouse of the Seller. The Parties may determine the price ex warehouse of the recipient, taking into account the costs of transport and insurance during transport.
- (2) The payment for delivered goods is made at the prices indicated in the order confirmation; VAT is not included in the price.
- (3) The settlement is made in Polish Zloty unless the Parties have agreed on a settlement in a different currency before sending the order by the Buyer.
- (4) The basic form of payment is a bank transfer to the account of the Seller. Other forms of payment require prior agreement between the Parties.
- (5) The payment for the goods delivered should be made within the term agreed by the Parties and indicated in the order confirmation. If the Buyer exceeds the payment date, the Seller is entitled to charge statutory interests for delay.
- (6) If delay in payment for the goods delivered is repeated, the Seller, irrespective of the right to claim interests for late payment, shall be entitled:
 - 1) to make all accounts receivables for goods delivered immediately due and payable,
 - 2) to carry out deliveries only after payment of arrears and after the Buyer's prepayment of the amount determined by the Seller,
 - 3) to compensate for damage on the basis of Article 471 of the Civil Code, 4), to withdraw from the agreement.
- (7) In case of withdrawal from the agreement the Parties are required to repay each other what they have received from each other. The Buyer hereby grants the Seller a permission to enter the premises of his company during normal business hours and to take the goods back into possession.
- (8) In case of recovery of the subject of sale, the Seller is entitled to demand from the Buyer an appropriate compensation for wear or damage.
- (9) The Seller is entitled to exercise the rights referred to in § 2, (6) even if the Seller becomes aware of the risk of insolvency of the other Party.
- (10) The Buyer is entitled to get a compensation if his counterclaims will be deemed by the Seller to be undisputed or legally binding.

§ 3 Handing over of goods

- (1) The handing over of goods takes place in the warehouse of the Seller.

§ 4 Delivery time

- (1) The delivery of goods ordered by the Buyer shall take place at the date specified in the order confirmation. Delivery time may be extended if circumstances occur, which could not be foreseen at the date of receipt of the order confirmation by the Buyer. The Seller is not responsible for the extension of the delivery time which is not the fault of the Seller.
- (2) If the seller is executing the order of the Buyer and the Buyer announces new demands associated with the goods to be delivered, the delivery time of goods shall be suspended for the time of changes to be made and may even start to run from the beginning after a full explanation of the changes by the Parties. In this case, the Seller shall not be liable for delay in delivery of goods.
- (3) If the Seller has prepared the goods for shipment and the shipment has been delayed for reasons which the Buyer is not responsible for, the Seller is entitled to charge the Buyer with the costs of storage of the goods, both in his own warehouse and in the stock owned by third Parties as well.

§ 5 Reservation of Title

- (1) The Seller reserves the property right to the goods delivered until payments have been made by the Buyer.
- (2) In the absence of payment of the price on time, the Seller has the right to demand the immediate release of the subject of sale.
- (3) The Buyer hereby grants the Seller a permission to enter the premises of his company - in the case referred to in § 5, (6) - during normal business hours to take the goods back into possession.
- (4) The buyer is obliged to take care of the goods; and especially to insure them at his own expense in a sufficient amount against the risk of fire, water and theft.
- (5) The Buyer agrees to immediately notify the Seller of seizure and confiscation taking place or other regulations, as well as claims by third Parties relating to the subject of sale.
- (6) The buyer is entitled to resell the purchased goods. The Buyer is prohibited, however, to make a pledge, transfer of property rights in order to secure or establish other security on the subject of sale.
- (7) When selling goods supplied by the Seller, the Buyer is obliged to make an assignment of receivables from sales to the Seller he is entitled to in relation to the recipients including all additional rights not exceeding the value of goods until payments of all liabilities have been made to the Seller and to notify the Seller by sending information and documents (including contract and invoice) required to assert rights by the Seller.

- (8) In case of repossession of the subject of sale, the Seller is entitled to demand from the Buyer an appropriate compensation for wear or damage.

§ 6 Liability for defects of goods and liability for damage

- (1) The Seller is liable for defects under the conditions specified in the General Terms and Conditions of Warranty by SEW-Eurodrive Polska Sp. z o.o., a template of which is available on the Seller's website www.sew-eurodrive.pl at: https://pl.sew-p.com/media/segurodrive/pdf/terms_of_guarantee.pdf
- (2) If defects are found, the Buyer is obliged to immediately notify the Seller in writing.
- (3) In case of defects of the delivered goods, the Seller is obliged according to his own choice to remove the defects or to deliver goods or services without flaws. The Buyer is obliged to guarantee the necessary time and conditions to remove the defects or to deliver goods free of defects. Only in urgent cases of emergency and safety risk or protection against disproportionately large damages, and only after approval of the Seller, the Buyer is entitled to remedy deficiencies on their own or through a third Party and to demand reimbursement of incurred expenses from the Seller.
- (4) Claims from liability for defects do not include damages caused by improper or not intended use and contrary to operating instructions, faulty installation and commissioning, overloading, natural wear of consumable parts, use of improper consumable operating supplies or operating under inappropriate environmental conditions.
- (5) The Parties exclude, based on Article 558 of Civil Code, the Seller's liability under the warranty for goods delivered by him.
- (6) The Seller is liable to the Buyer for non-performance or improper performance of obligations arising only for reasons for which the Seller is responsible.

§ 7 Contractual Penalties

- (1) The Seller is entitled to charge the Buyer with a contractual penalty of 30 % of the value of order if the Buyer withdraws from the contract during the execution of order upon receiving the order confirmation, excluding the situation when such a withdrawal is caused by the fault of the Seller.
- (2) The Seller reserves the right to claim damages on general principles exceeding the value of the contractual penalty.
- (3) If delay occurs on the SEW side and for this reason damages are incurred by the Purchaser, he is entitled to claim a lump sum of compensation for the delay. It amounts to 0.5% for each completed week of delay, including but not more than 5% of the price for the part of delivery or service that due to delay prevented the start of intended use.

§ 8 Final Provisions

- (1) These terms and conditions of sale apply to all agreements concluded between the Buyer and the Seller. Any alteration of terms and conditions must be made in a form of an agreement between the Parties for its validity.
- (2) Regulations of the Civil Code shall apply to all matters not governed by these terms and conditions.
- (3) Any disputes arising in connection with the agreement shall be solved by the Parties amicably. If the Parties are unable to reach agreement, the relevant court for the solution of the dispute is the court relevant to the seat of the Seller.
- (4) In any case – also in case of sale of the goods abroad Polish law shall apply.

Łódź, July 2016

SEW
EURODRIVE

SEW-EURODRIVE POLSKA SP. Z O.O.
DYREKTOR SPRZEDAŻY
PROKURENT SAMOISTNY

Stanisław Nawracaj
mgr inż. Stanisław Nawracaj