

## **General Terms and Conditions of Purchase at Bahlsen Polska spółka z ograniczoną odpowiedzialnością Sp. k.**

### **1. Conclusion of contract and execution of orders**

- 1.1. The manner, time and place of a contract conclusion are determined in accordance with Civil Code provisions.
- 1.2. An order within a concluded contract or order change shall be binding for the supplier if placed or made in writing or in a documentary form. Any oral orders shall become binding for the supplier upon confirmation in writing or in a documentary form.
- 1.3. The supplier shall confirm acceptance of an order within 5 working days. Lack of the supplier's statement of order confirmation within the above deadline shall be treated as order acceptance confirmation.
- 1.4. At the time of and by contract conclusion, the supplier accepts these General Terms and Conditions of Purchase. If the supplier delivers an order confirmation that contains terms of order acceptance or execution different from ours, our Terms and Conditions shall prevail. Any amendment to the terms shall only be permitted if expressly approved by us in writing or in a documentary form. If the supplier delivers an order confirmation that contains terms of order acceptance or execution different from ours, which have not been expressly approved by us in writing or in a documentary form, we shall have the right to request that the supplier executes the order without his terms or we can withdraw the order and/or rescind the contract. In the event of the order cancellation and /or contract rescission in accordance with the preceding sentence, the supplier shall release Bahlsen Polska of any liability in this respect and will be obliged to remedy any damage for Bahlsen Polska (losses and lost profits). Our Terms and Conditions of Purchase shall also be binding for future transactions, whether or not referred to in a given order, provided that they have been delivered to the supplier with previous contracts/orders confirmed by us.
- 1.5. In the case of documents to be printed, a proof must also be delivered and admitted (approved) by Bahlsen Polska. If any changes need to be made, a corrected proof must again be delivered to Bahlsen Polska for approval.

### **2. Prices**

- 2.1. The prices specified in our order shall be fixed prices. Unless the parties expressly agree otherwise in writing, on pain of nullity, the 'price' shall mean a price agreed in accordance with Incoterms DAP Skawina / Jawornik. The supplier shall immediately notify us in writing of any price changes. New prices shall be binding only when confirmed by us in writing. Any other reservations as to the VAT-exclusive value of the goods shall be submitted separately in writing.

### **3. Terms of delivery**

- 3.1. Transport to the specified place of delivery shall be free of any transport fees, cost of packaging and other charges. Upon delivery of the ordered goods to the specified place, the risk shall pass on us.
- 3.2. Each delivery shall be accompanied by proof of delivery, specifying our order number, name of department, number of items delivered, exact names of the items, and unit weight or size. If the proof of delivery is missing or incomplete, we shall not be held liable for any consequential delay in document processing or payment. In the case of raw materials and direct packaging, each bulk pack must be marked with information about the batch of goods in the delivery confirmation. On the day of dispatch, the supplier shall notify us of the delivery in writing and via e-mail. The order number shall be placed on all transport documents and the invoice.
- 3.3. Any additional costs and any losses caused by improper or delayed dispatch shall be borne exclusively by the supplier.
- 3.4. Unless otherwise agreed in writing, the delivery deadline shall be deemed to be met if the goods are delivered to the designated place on the designated day and at the time specified in the order, or where the delivery is not made – it was suspended at our written request until an agreed date and the supplier has notified us of its readiness to dispatch the goods.
- 3.5. The supplier shall collect its reusable / returnable packaging at its own expense.
- 3.6. Without our prior consent, which must be in writing on pain of nullity, the supplier shall not engage any third party to provide services to us.

### **4. Receipt and payment**

- 4.1. Receipt / invoice shall be sent to us separately. It shall be in two copies issued in a way enabling their verification against the delivery documentation. The receipt shall include the transaction number specified in the order. Any consequences of failure to meet that requirement, e.g. delayed payment, shall be borne by the supplier. We prefer all invoices to be issued and sent electronically. To read and sign Bahlsen Polska's rules of sending electronic invoices, please contact us.
- 4.2. Each receipt / invoice must be in compliance with Polish law. If Bahlsen Polska receives an incorrect receipt / invoice, the payment may be suspended until correct accounting documents are delivered by the supplier. In such a case, the deadline for payment of the amount specified in the incorrect accounting document shall be appropriately extended.
- 4.3. We make payments in accordance with the payment terms laid down on purchase documents. Unless otherwise specified in writing, a standard payment deadline is 30 days of the date on which we receive the correct receipt / invoice. Any change to payment terms must be confirmed by us in writing, on pain of nullity.

## **5. Guarantee / warranty**

- 5.1. The supplier guarantees and warrants that the supplied goods meet the buyer's product specification and comply with applicable Polish laws or – in absence thereof – with standard trade regulations for quality. In particular, the supplier guarantees and warrants that the goods are free from any physical or legal defects within the meaning of Polish law.
- 5.2. The supplier's guarantee covers any defects that may arise within one year after the risk was transferred to the buyer. Any such defects shall be reported by Bahlsen Polska immediately after their identification. In the case of joinder of claims under guarantee and warranty, Bahlsen Polska may, at its own discretion, choose to pursue claims under the guarantee or the warranty.
- 5.3. Under the guarantee, the supplier shall, in the first place, make good the defects at its own expense and/or deliver, free of charge, a replacement which must be free from defects. A new guarantee period for the repaired or replaced good shall start on the date when such repair was made or replacement was delivered to the designated place.
- 5.4. Should the claims specified above not be satisfied within the period designated by us, we shall be entitled to remove the defects at the supplier's expense or seek replacement otherwise. The new guarantee period for such repair or replacement is one year, starting on the date when the repair is made or the replacement is delivered.
- 5.5. The prescription period for our claims under the guarantee is 24 months and shall begin upon expiry of the guarantee.
- 5.6. Under the warranty or guarantee, if the supplier fails to reply in writing to Bahlsen Polska's report on any defects identified in goods supplied (in the form of a complaint report) within 14 days of the date of receipt of the complaint report, the supplier shall be deemed to have accepted Bahlsen Polska's complaint, including Bahlsen Polska's claims specified in the complaint report.
- 5.7. If the supplier fails to collect the defective goods by the deadline specified by Bahlsen Polska in the relevant complaint report, then Bahlsen Polska shall have the right to dispose of the defective goods at the supplier's expense and risk, provided that the deadline is not shorter than 14 days.
- 5.8. In the case of supplied goods that the supplier knows will be used in our production processes or will have contact with our products, the supplier shall ensure that the goods comply with the currently applicable regulations for foodstuffs and do not impair the quality of our products, provided that at this stage of technology development such impairment can be avoided.
- 5.9. The supplier shall be responsible for ensuring that the entire supplies comply with the Act on General Safety of Products and with applicable legislation and technical regulations. If no harmonised standards exist, applicable national standard specifications (e.g. OHS regulations) and EU legal standards (CE etc.) must be observed to ensure compliance with health and safety requirements.
- 5.10. If an ordered product is governed by the Act on Food and Nutrition Safety, the supplier shall ensure that each delivered item of the product complies with all the relevant legal regulations and shall confirm such compliance with relevant documents.
- 5.11. The supplier shall also ensure that the execution of our orders does not result in infringement of any third party rights in the European Union states or other countries where the supplier makes its products or has them made. Thus, the supplier shall indemnify us against any claims which may arise from infringement of third party rights and against any liability in this respect. The indemnification shall cover any costs that arise or may arise from or as a result of a third party claim.
- 5.12. As part of our evaluation of the quality assurance system, we shall have the right, upon prior notice to the supplier, to inspect the supplier's plants.
- 5.13. The supplier represents and warrants that it has read, accepts and will fully comply with the current version of Bahlsen Rules of Conduct. The supplier shall also meet the requirements of Bahlsen Sustainable Development Policy and shall take appropriate sustainable development

measures. The current versions of Bahlsen Rules of Conduct and Sustainable Development Policy shall be sent to the supplier on request.

- 5.14. At the request of Bahlsen Polska, the supplier shall deliver evidence that it complies with and follows Bahlsen Rules of Conduct and Sustainable Development Policy. If the supplier fails to meet the requirements and remedy the situation within a reasonable time specified by Bahlsen Polska, Bahlsen Polska shall have the right to withdraw from contracts with the supplier.

## **6. Product liability**

- 6.1. The supplier shall indemnify us against any claims which may be filed against us if damage caused by our product, used in accordance with its intended purpose, is attributable to defective production by the supplier or the supplier's failure to meet the quality control requirements.
- 6.2. The supplier shall hold product insurance liability with a lump-sum cover of no less than PLN 5m for personal injury / damage to property. In addition to the supplier's product insurance, Bahlsen Polska reserves the right to seek compensation in the amount of the actual damage or lost benefits.

## **7. Duty to inform**

- 7.1. The supplier shall notify us of any difficulties preventing contract performance as soon as such difficulties arise.

## **8. Confidentiality / business secret**

- 8.1. The supplier shall keep confidential all publicly undisclosed technical, technological and organisational information concerning the business of Bahlsen / Bahlsen Polska, as well as other information of economic value to Bahlsen / Bahlsen Polska, which has been made available to the supplier at or in connection with order execution. In accordance with the Fair Trading Act, the supplier shall be liable for any damage caused by breach of this obligation. Upon completion of order execution, the supplier shall immediately send all the documents provided to it by us, including the designs, drawings and models, back to us by registered mail with a return receipt.
- 8.2. Confidential information of Bahlsen / Bahlsen Polska may only be disclosed to third parties upon Bahlsen's / Bahlsen Polska's consent in writing, on pain of nullity.
- 8.3. The confidentiality obligation shall continue in force also after completion or termination of contract. The obligation shall expire when the technical, technological and organisational details contained in the information disclosed to the supplier or the information itself become publicly known / are lawfully disclosed.

## **9. Documents to print, drawings, designs and tools**

- 9.1. All tools and documents, e.g. drawings, provided to the supplier shall remain our property and must be stored by the supplier in a manner preventing their unauthorised access, damage by fire or water, theft or other loss. The supplier shall use the tools and documents exclusively for the purposes of production of the goods that we order. Without our prior consent in writing, on pain of nullity, the tools and documents shall not be made available to any third party. This obligation shall also be binding on sub-contractors engaged by the supplier to perform the contract. When the tools and documents are no longer necessary for the supplier to perform the contracts with us, the supplier shall, on request, return them to us in good condition or, upon prior written arrangement, shall destroy them and deliver the relevant destruction report.
- 9.2. Unless agreed otherwise in writing, on pain of nullity, any costs of repair of the tools shall be borne exclusively by the supplier.
- 9.3. The supplier shall insure the tools and documents provided to it against fire, water, theft and other loss up to their replacement value. Concurrently, the supplier shall assign to us any claims for damage under the insurance and we shall accept the assignment. In case of loss of the documents, the supplier shall replace them at its own expense and shall bear full responsibility (for actual losses or lost benefits) for any damage caused by the loss of the documents.
- 9.4. We reserve the industrial property rights and copyrights to illustrations, drawings, calculations and other documents provided to the supplier.

## **10. Place of contract performance, competent courts, governing law**

- 10.1. The place of delivery designated by us shall be the place of contract performance.
- 10.2. A court of Kraków or any other court specified by us shall be the competent court for both parties.
- 10.3. Any arrangements and legal actions by the parties shall be governed by the laws of Poland, in addition to the provisions of contract.

