

## GENERAL TERMS OF PURCHASE

### § 1 General provisions

1. General Terms and Conditions of Purchase ("**GTP**") apply to orders placed by the Buyer.
2. The following capitalised terms used in these General Terms and Conditions of Purchase shall have the following meanings:
  - a. **Supplier** – means a natural person, a legal person or an organisational unit without legal personality filing an offer or selling of goods, services, providing supplies or other similar things to the Buyer;
  - b. **List of Qualified Suppliers** – means the list of selected suppliers having the capacity to fulfil the requirements defined in the Quality Management System. This applies in particular to the provision of materials in accordance with the specifications defined by the Buyer.
  - c. **Trade Restrictions** - means any law, regulation, decree, ordinance or legally binding order, rule or requirement of the United Nations or the laws of the European Union, any member country of the European Union or Switzerland relating to trade sanctions, trade embargoes or other foreign trade controls, export controls, anti-terrorism or similar legislation.
  - d. **GTP** – these General Terms of Purchase
  - e. **Order Confirmation** – a document confirming Order acceptance by the Supplier
  - f. **Ordered Item** - depending on the context, the materials, raw materials, parts, prefabricated elements, products, equipment and other things that are the subject of the purchase/supply or the services or works covered by the Contract
  - g. **Force Majeure** – has the meaning set out in § 10 (1) of the GTP
  - h. **Party** - shall be understood as the Buyer or the Supplier, respectively
  - i. **Parties** - shall be understood as the Buyer and the Supplier jointly
  - j. **Quality Management System** - shall mean the set of processes and procedures implemented within the Buyer's company with the aim of continually improving quality in order to ensure that customer expectations and requirements are met

- k. **Buyer** – shall mean Einsal East Sp. z o.o., with its registered office in Mikołów (43-190), ul. Józefa Elsnera 55a, entered in the register of entrepreneurs kept by the District Court Katowice-Wschód in Katowice, 8<sup>th</sup> Commercial Division of the National Court Register under KRS number: 0000268675, TAX ID [NIP]: 6272597564, REGON: 240563504
  - l. **Order** – shall mean an order in at least documentary form sent to the Supplier on the basis of which the Buyer's needs are identified and which constitutes the basis for delivery of the Ordered Item or provision of services, as well as in which specific terms and conditions of cooperation between the Parties are defined, in particular such as the Ordered Item, its specification and quality, price, delivery date or schedule, delivery method and conditions; the Order within the meaning of these GTP shall also mean another agreement concluded between the Parties for the purpose of delivery of the Ordered Item and determination of other terms and conditions of cooperation..
3. The subtitles indicated in the GTP are only for reference purposes and should not affect the interpretation of GTP or the Order.
  4. These GTP constitute an integral part of the Order and define mutual rights and obligations of the Buyer and the Supplier.
  5. In case of discrepancies between the terms of the Contract and these GTP, the terms agreed by the Parties in the Contract shall apply.
  6. The parties declare that, within the framework of their cooperation, they shall comply with the mutually agreed rules and standards which are set out in the Order Confirmation.
  7. The GTP currently in force are made available on the Buyer's website ([www.einsal-east.com/o-firmie#dopobrania/](http://www.einsal-east.com/o-firmie#dopobrania/)) in a manner allowing for storage and reproduction of the GTP in the ordinary course of business, as well as in writing at the Buyer's premise.

### § 2 Scope

1. By accepting the terms and conditions of the GPC, the Supplier agrees that they take precedence over the terms and conditions implemented by the Supplier.
2. Within 7 Business Days of receipt of the Purchase Order, the Supplier shall send the Order Confirmation

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to the Buyer in the manner indicated by the Buyer in the Purchase Order.

3. The Supplier shall be bound by its offer for at least 30 days, unless the Order placed by the Buyer provides for a different period.
4. By fulfilling the Order, the Supplier accepts the obligations arising from the GPC.

### **§ 3 Terms of delivery**

1. The Ordered Item must be executed in accordance with the Order.
2. In the Order, the Parties shall agree in detail the place of delivery and the rules accompanying delivery, in particular by indicating the relevant Incoterms© 2020 rule agreed by the Parties.
3. The Ordered Item shall be delivered to the place specified in the Order at the Supplier's expense, unless the Order expressly provides otherwise.
4. The execution of the Order shall be accompanied by submission by the Supplier of a set of documents related to Order execution, in particular such as a waybill, technical documentation, guarantee documents, certificates related to the Ordered Item, documents specifying the quantity, quality, weight of the Ordered Item. If the required documents are missing, the Buyer shall have the right to refuse to accept the Order. The Supplier shall be liable for damage resulting from incomplete or incorrect documentation concerning the Order.
5. The Supplier declares that the Order executed by it meets all the specifications defined by the Parties in the Order, in particular as regards quality, compliance with certificates, weight and sizes.
6. Unless otherwise specified by the Parties in the Order, the transfer of the risk of loss or damage to the Buyer shall take place at the time of documented acceptance of the Ordered Item at the place agreed by the Parties.
7. Unless otherwise specified by the Parties in the Order, the Supplier shall be responsible for securing, packing, marking, unloading and insuring the Ordered Item.
8. The Buyer is authorised to inspect the Ordered Item in advance, in particular to verify the documentation presented, to verify the compliance of the quantity and quality of the goods.
9. The delivery date is specified in the Order and denotes the date of delivery of the Ordered Item at the place of delivery indicated in the Order or the date of completion of the services indicated in the Order, respectively. The delivery date is final and may be

extended only on the basis of the consent of the Buyer granted at least in documentary form.

### **§ 4 Prices and payments**

1. The price agreed by the Parties in the Order shall include execution of the Order in a correct manner, in particular with all documentation, properly packed and delivered, free of defects and accepted by the Buyer.
2. The prices agreed by the Parties shall be binding upon them.
3. The price agreed by the Parties shall include all costs related to the performance of the Order, in particular transport, packaging, documentation, unloading and other costs resulting from the specification of the Ordered Item as well as taxes, margins, insurances, except for VAT, unless the Parties agreed otherwise.
4. Payment for the Order shall be made on the terms agreed by the Parties.
5. If defects of the Order are found, payment may be withheld after prior notification to the Supplier.

### **§ 5 Liability of the Parties**

1. The Supplier shall be liable for damage suffered by the Buyer due to delayed delivery, loss or damage caused by improper labelling, packaging or identification of the Ordered Item.
2. The Supplier declares that the Ordered Item is its property and it is free from legal and physical defects and that it has the right to dispose of them freely, and that their delivery to the Buyer does not violate any provisions of law, court rulings, administrative decisions or statutory or contractual provisions binding on the Supplier, and will not result in the inability to satisfy a third party's legitimate claim.
3. The Supplier shall be liable for all direct, indirect, incidental, wilful and consequential losses and damages incurred by the Buyer, including loss of profits and reputation caused by a delay in the delivery of the Ordered Item or its inadequate quality.

### **§ 6 Contractual penalties**

1. The Supplier shall be responsible to pay the following contractual penalties towards the Buyer in the following cases:
  - a. when withdrawing from the execution of the Order by the Supplier for reasons beyond the

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Buyer's control - in the amount of 15% of the value of the Ordered Item;

- b. when exceeding the time limit for completion of the Order as agreed by the Parties - in the amount of 0.2% of the value of the Ordered Item for each day of delay, but not more than 20% of the value of the Ordered Item;
  - c. for delay in removal of defects identified by the Buyer - in the amount of 0.2% for each day of delay starting from the expiry of the deadline set by the Buyer for removal of defects, but not more than 20% of the value of the Ordered Item.
2. The accrued contractual penalties shall be payable on the basis of a request for payment sent by the Buyer to the bank account and within the deadline indicated therein, which shall not be shorter than 7 (seven) days. A request addressed to the Supplier's address as stated in the Order shall be deemed to have been effectively delivered, unless the Supplier informs the Buyer of a change of address.
  3. The Buyer shall be entitled to claim damages in excess of the stipulated contractual penalties in paragraph 1 above.
  4. In the event that, as a result of a delay, in addition to the contractual penalties stipulated in section 1 above and the claim for repair of damage in the full amount, the Buyer is entitled to resign from the Order if its performance would lose economic significance for the Buyer. The Buyer is also entitled to resign from the Order in part, in the case of only partial fulfilment of the Order by the Supplier.
  5. In case of resignation as referred to in section 3 above, the Buyer shall not be liable to the Supplier for the costs incurred by the Supplier to execute the Order.
  6. In case of a delay in Order execution, the Buyer shall be entitled to purchase the Ordered Item from another supplier. If this right is exercised, the risk and cost of the substitute performance shall be borne by the Supplier.
  7. The accrual of contractual penalties does not release the Supplier from its obligation to fulfil the Order.
  8. The Buyer shall be entitled, with at least documentary notice to the Supplier, to withdraw from acceptance of the Ordered Item for reasons attributable to the Supplier.

## **§ 7 Quality of the Ordered Item**

1. The Supplier shall have and maintain a quality assurance system for all processes performed in the Supplier's business, at a minimum of ISO 9001 or equivalent for all Ordered Items and a minimum of AS9100 or for AS9120 distributors, as appropriate, for all Ordered Items performed for aerospace applications. This requirement also applies to the Supplier's supply chain.
2. The Supplier shall, whenever requested by the Buyer, send a copy or a scan of its current Quality Management System Certificate.
3. Execution of the Order requires prior qualification of the Supplier and inclusion on the List of Qualified Suppliers. The Buyer reserves the right to carry out second party audits at the Supplier's premises in order to verify the quality and compliance with the requirements of the supplied Ordered Items, as well as to carry out verification activities at scheduled intervals, including inspection of Documented Information within the meaning of the quality assurance system created by the Supplier.
4. The fulfilment of Orders shall be systematically monitored and supervised by the Buyer. In case of reservations regarding quality, timeliness of deliveries, or lack of response to comments, the Buyer reserves the right to remove the Supplier from the List of Qualified Suppliers. The Supplier will be informed about the fact and will know the underlying reasons (results of the assessment). Re-entry on the Qualified Supplier List is possible upon presentation of corrective and remedial actions taken by the Supplier in the areas in which it received negative assessments.
5. The Buyer reserves the right to entrust the Supplier's control activities with regard to the implemented processes and supplied products to an external laboratory accredited in accordance with ISO 17025:2018.
6. The Buyer reserves the right to require statistical control measures for the delivered products with instructions for carrying them out in each order.
7. The Supplier shall be obliged to apply appropriate methods of control, supervision and monitoring of effects in its organisation and its sub-suppliers, in order to ensure that the specified requirements are met throughout the supply chain.
8. The Supplier is obliged to execute the Order in accordance with the standard or specification referred to in the Buyer's Order according to the latest applicable revision as at the date of the Order, unless

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otherwise agreed by the Parties at the offer approval stage.

9. The Supplier is obliged to provide, together with the delivery, electronic or hard copies of the original EN10204-3.1 Manufacturer's Acceptance Certificate and EN ISO / IEC 17050-2 Certificate of Conformity.
10. The Supplier shall be obliged to provide certificate of conformity, test reports or certificates of release for use where applicable, as well as to retain the documented information for the life cycle of the Ordered Item plus 5 (five) years.
11. The Supplier is obliged to provide adequate competent personnel, to participate consciously in ensuring the quality and safety of the Ordered Item, as well as to ensure the formation of personnel on the importance of ethical behaviour
12. The Supplier is obliged to inform the Buyer immediately when the following events occur:
  - a. when the granted Certificates or manufacturer approvals lose their validity, simultaneously being obliged to send copies of Certificates in case of their renewal (recertifications);
  - b. when significant non-conformities are discovered within the organisation by external auditors (certification bodies, customer audits);
  - c. when there is an important change in the Quality Management System and its Processes;
  - d. when there is a change in the process of operational activities affecting the quality of the delivered Ordered Items, also at subcontractors with whom the Supplier cooperates ("**Sub-suppliers**"),
  - e. significant aspects of operational risk related to ensuring the continuity of supply of the Ordered Items,
  - f. identification of counterfeit or suspected counterfeit materials, products or tools,
  - g. identification of non-approved products.
  - h. changes in processes, production or services, including changes in external suppliers or the location of production or the place of distribution.

#### **§ 8 Verification of Order execution**

1. The Buyer reserves the right to verify the progress and proper course of Order execution, as well as to carry out any research and quality tests it deems appropriate in order to verify the compliance of the Ordered Item with the terms and conditions set forth in the Order.

2. For the purpose of exercising the right of verification, the Buyer may, in particular, demand the presentation of certain certificates, references, documents confirming the authority to supply the Ordered Item, the potential necessary for the execution of the Order or the experience of the Supplier.
3. If the Buyer has doubts as to the quality, quantity or any other discrepancies of the delivered Ordered Item, it shall be entitled to conduct additional tests involving the Ordered Item. If the tests reveal non-compliance of the Ordered Item with the conditions agreed by the Parties in the Order, the Buyer shall be entitled, in addition to compensation for non-compliance of the Ordered Item, to charge the Supplier with the costs of the tests, as well as to charge the Supplier with the costs of storage or disposal of the defective Ordered Item or to return the Ordered Item at the Supplier's expense and risk.

#### **§ 9 Trade Restrictions**

1. The Parties hereby represent that they are in compliance with applicable laws implementing Trade Restrictions and are not doing business with entities subject to Trade Restrictions or to the extent that such restrictions apply.
2. The Supplier declares that neither it nor any of its subsidiaries, nor any of its directors, senior managers or officers, nor - to the knowledge of the Supplier - any person on whose behalf the Company is acting, are subject to Trade Restrictions.
3. The Supplier declares that the Buyer is not covered by Trade Restrictions and is obliged to provide the Buyer with a certificate of origin of the Buyer whenever requested to do so by the Buyer, if such obligation is imposed on the Buyer by law.

#### **§ 10 Confidentiality and personal data processing**

1. Each Party undertakes to keep the contents of the Order confidential.
2. Paragraph 1 above shall not apply if:
  - a. the other Party has agreed to this in writing under pain of invalidity;
  - b. it would be contrary to mandatory provisions of law or contrary to a court decision or a decision of a public administration body.
3. Each Party shall process the data of the persons indicated in the Order for the purposes resulting from

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its legitimate interests covering the performance of the Order, establishment, assertion or defence of legal claims arising from or related to the Order.

### **§ 11 Assignment**

1. Neither Party may assign or encumber in any way whatsoever any of its rights or obligations under the Order, except with the prior written consent of the other Party, otherwise being null and void.

### **§ 12 Communication between the Parties**

1. Subject to cases expressly indicated in the GTP or the Order, all correspondence and statements made by the Parties shall use with regard to Order execution require a documentary form.

### **§ 13 Force Majeure**

1. A Force Majeure shall be any sudden, unpredictable event, unrelated to the Parties' will that make it impossible for a given party to execute a confirmed order, wholly or in part permanently or temporarily, and that can be neither prevented nor counteracted, assuming due diligence ("**Force Majeure**"). The Force Majeure events involve, in particular:
  - a. natural disasters including but not limited to fires, floods, earthquakes and similar natural disasters,
  - b. epidemics,
  - c. riots, acts of terrorism, armed actions, strikes,
  - d. action by public authorities, such as the issuance of a legislative act or an administrative decision
  - e. administrative decision (in particular as regards epidemics), embargo, state of war, state of emergency, state of natural disaster, requisition.
2. The Parties mutually undertake to notify each other promptly, however not later than within 7 days, of the occurrence of the circumstances constituting the Force Majeure, at the same time presenting evidence of its occurrence and information on the expected duration, effect on the performance of the Order, in particular the period by which they anticipate the performance of the Order will be delayed.
3. In case of a Force Majeure event affecting the Supplier, the Buyer shall be entitled, at its option, to:
  - a. agree with the Supplier a longer period for completion of the Order,
  - b. withdraw from the contract, in whole or in part, at any time, and to demand the return of any

sums already paid within 14 days from the date of service of the request.

4. If the Supplier has fulfilled part of the Order and the Buyer withdraws from the Order in its unfulfilled part, the Buyer reserves the right to retain the Ordered Items already delivered against payment of their value.

### **§ 14 Final provisions**

1. The amendment to GTP does not require modification of the Contract or other forms of cooperation between the Parties.
2. The Parties may amend provisions of GTP in an individual case. Such change may be effected on the basis of an agreement between the Buyer and the Supplier at least in a documentary form (in particular on the basis of an e-mail message), otherwise being null and void.
3. GTP shall be governed by and construed in accordance with the laws of the Republic of Poland
4. In matters not regulated in the GTP or the Order, the mandatory provisions of law shall apply, in particular the provisions of the Civil Code.
5. If any of the provisions of GTP shall be deemed invalid or legally defective, the remaining provisions shall remain in force to the fullest extent permitted by law.
6. Any possible disputes arising in connection with the conclusion or performance of the Contract or the Order shall be resolved, as far as possible, by means of amicable proceedings. Ultimately, the competent court for disputes shall be the court of material and local jurisdiction according to the registered office of the Buyer.

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