

General Terms of Cooperation – Falken Trade Polska Sp. z o.o. Sp. K.

§ 1. The General Provisions

1. These General Terms of Cooperation (GTC) apply to all transactions/ sales contracts concluded between Falken Trade Polska Sp. z o.o. Sp. K. (hereinafter referred to as the Seller) and the purchaser of goods – Falken Trade Polska Sp. z o.o. Sp. K. (hereinafter referred to as the Buyer) and constitute an integral part of each sales contract. The GTC are applicable during the validity of those contracts.
2. The placement of an order by the Buyer is relevant to an acceptance of the terms specified below,
 - unless otherwise provided in the detailed agreements concluded between the Buyer and Falken Trade Polska Sp. z o.o. Sp. K., the detailed agreements shall mean agreements concluded between the Buyer and Falken Trade Polska Sp. z o.o. Sp. K. other than sales contracts and determining the additional terms of cooperation or the provisions of the sales contract excluding the relevance of particular conditions of GTC.
3. In case of invalidity, voidance or irrelevancy of some provisions of GTC, the other provisions of the GTC shall remain in force.

§ 2. An order

1. An order shall be placed by the Buyer in writing, signed by persons authorized to perform these acts and indicated by persons empowered to represent the Buyer. In case of a change of the authorized person to place orders on behalf of the Buyer, the Buyer is obliged to designate this person under pain of non-acceptance of the order for processing by Falken Trade Polska Sp. z o.o. Sp. K.
2. The basis of accepting the order by Falken Trade Polska Sp. z o.o. Sp. K. for processing is the order sent by the Buyer by fax or e-mail to the Seller's address,
3. The Buyer is obliged to provide in the order:
 - the reference number of the order,
 - the expected delivery date,
 - the exact delivery address (street's name, square or avenue, the number of the building, postal code and town),
 - the contact person and contact details at the place of collection,
 - the article number in accordance with the offer of Falken Trade Polska Sp. z o.o. Sp. K.
 - the exact name of the merchandise,
 - the ordered quantities,
 - the unit price of the ordered goods
4. The order is regarded as accepted only after its official confirmation. The lack of the acceptance of the order does not mean its acceptance for processing.
5. The acknowledgement of the order is the VAT invoice, the provisional invoice, a written confirmation or the confirmation by an e-mail, including the assortment, the quantity, value of the order and delivery time.
6. The orders sent to Falken Trade Polska Sp. z o.o. Sp. K. may not be accepted for processing because of the overdue receivables of the Buyer, lack of the available credit limit or lack of necessary information allowing for the realization of the order stipulated in § 3, subparagraph 3.

7. The sales contracts concluded by Falken Trade Polska Sp. z o.o. Sp. K. are binding provided that the obligations are met by the suppliers of the Seller. In case when the Seller does not obtain the goods from its supplier in due time, the Seller has the right to withdraw from the performance of the contract of sale after informing the Buyer in writing.

§ 3. The price

1. The prices for the goods offered by Falken Trade Polska Sp. z o.o. Sp. K. are net prices. The tax on goods and services (VAT) being in force with relevant law provisions is added to these prices.

§ 4. The release of goods, its transport and receipt by the Buyer

1. The release of goods takes place at the time of taking over by the purchaser. This moment is regarded as the date of sale which empowers and obliges Falken Trade Polska Sp. z o.o. Sp. K. to issue the VAT invoice, pursuant to relevant law provisions.
2. The transportation of goods means its delivery at the location indicated by the Buyer in the order. The transport does not include the discharge of goods. The costs of discharge shall be incurred by the Buyer. The Buyer is obliged to discharge the goods without undue delay.
3. The terms of delivery are agreed when ordering. The collection of international regulations – INCOTERMS (International Commercial Terms) is regarded here as the guidelines. The current version is Incoterms 2010 which has replaced Incoterms 2000.
4. If the place of delivery of goods is different than the Buyer's address, the Buyer is obliged to designate the person/economic entity entitled to receive the goods by providing the name, surname and number of the document confirming the identity in the order (in case of the economic entity: the name, the exact address and the authorized person with contact details). In case of failure to comply with this duty by the Buyer and in the situations when the document confirming the delivery of goods encloses the signature of the receiving person, the Buyer cannot raise an objection against Falken Trade Polska Sp. z o.o. Sp. K. that the goods were not delivered or were collected by an unauthorized person.
5. The receipt of the ordered goods is confirmed by the Buyer or persons authorized by the Buyer by placing a signature in the shipping document.
6. The Buyer is obliged to check the delivered goods when receiving. In case of the reservations of the Buyer as for the ordered goods and especially in case of observed damages, incomplete deliveries or exceeding beyond the placed order, the Buyer should, during the unloading, compile a complaint protocol signed by the representative of the Buyer and the carrier under pain of leaving a quantity complaint unprocessed and the Buyer forfeiting any claims on that account.
7. In case the Buyer accepted the goods without checking their condition or quantity with the carrier or did not report any complaints to the carrier which would indicate the kind of shortage or damage – it shall be presumed that the Buyer received the goods according to the state described in the bill of lading.
8. In case of receipt of goods directly by the Buyer from the warehouse of Falken Trade Polska Sp. z o.o. Sp. K., the Buyer loses entitlements due to the quantity losses of goods provided that the Buyer accepted the goods without any objections.
9. Falken Trade Polska Sp. z o.o. Sp. K. has the right to refuse acceptance of the return of goods from the Buyer if these returns were not previously agreed and confirmed by

Falken Trade Polska Sp. z o.o. Sp. K. This is particularly the case where delivery is in compliance with the order of the Buyer.

10. At the moment of handing-over the goods to the Buyer, all benefits and burdens shall pass to the Buyer connected to a thing and the danger of accidental loss or damage of goods.
11. In case of the change of the delivery place by the Buyer upon loading, unless it is possible, the Buyer is obliged to cover all costs resulting from the change of the place of delivery (including the compensations due to extended reservation of a given means of transport).

§ 5. The delivery date

1. The delivery date shall be deemed to have been met if the goods are delivered to the Buyer by the agreed time. Falken Trade Polska Sp. z o.o. Sp. K. shall not be liable for overdue delivery from the Buyer for reasons directly attributable to the carrier.
2. In particularly justified cases, the time of the delivery may change. Falken Trade Polska Sp. z o.o. Sp. K. shall inform the Buyer about this change by fax, e-mail or by phone.
3. A force majeure or other unpredictable events such as traffic disturbances, blackouts and restrictions on the use of electricity, strikes, closure of the enterprise other disruptions of the establishment and any damages not attributable to Falken Trade Polska Sp. z o.o. Sp. K. which enable or hamper the shipment shall cause an extension of the delivery period by the period of this hindrance.

§ 6. The terms of payment

1. Any receipts and invoices issued by Falken Trade Polska Sp. z o.o. Sp. K. shall be settled by the Buyer without reductions in a way and period indicated in the receipt or invoice.
2. If the Buyer has any due claim against Falken Trade Polska Sp. z o.o. Sp. K., the Buyer may set it off with receivables of Falken Trade Polska Sp. z o.o. Sp. K. The Buyer, after the reduction is made, is obliged to submit a proper declaration in relation to Falken Trade Polska Sp. z o.o. Sp. K., at the latest when the reduction is made.
3. The day of the payment shall be deemed the day of crediting the account of Falken Trade Polska Sp. z o.o. Sp. K. or the day when the offset was made.
4. In case the Buyer fails to effect the payment at the time specified in the receipt or invoice, Falken Trade Polska Sp. z o.o. Sp. K. has the right to charge the statutory interests for the period of the delay, for each day of the delay.
5. In case of the delay in payment by the Buyer exceeding 14 days, Falken Trade Polska Sp. z o.o. Sp. K. has the right to demand immediate payment of all receivables, including those which due date has not taken place yet.
6. If the Buyer delays in payment, Falken Trade Polska Sp. z o.o. Sp. K. has the right to commission debt collection via external company at the expense of the Contractor, as well as to send requests for payment and to charge the Contractor with reimbursement amounting to the equivalent of 40 Euros.
7. In case the Buyer is responsible for a delay in payment of a price for the delivered goods, if due to the Buyer's property there are doubts if the payment of a price for the part of the goods, which are supposed to be delivered on a later date, will be made on time, Falken Trade Polska Sp. z o.o. Sp. K. has the right to refrain from supplying the

goods until the Buyer pays all amounts due for the outstanding deliveries or establish a proper security in favour of Falken Trade Polska Sp. z o.o. Sp. K.

8. In case of a lack of payment by the Buyer of a full amount of pre-payment in favour of Falken Trade Polska Sp. z o.o. Sp. K., under the conditions provided for in this option of payment, Falken Trade Polska Sp. z o.o. Sp. K. has the right to refrain from issuing the goods to the Buyer until the whole value of the ordered goods has been settled.
9. In each case of lack of payment by the Buyer for the delivered goods, Falken Trade Polska Sp. z o.o. Sp. K. may immediately renounce the contract, claim the remedy of all damages resulting from non-performance of obligations by the Buyer and also request the return of goods, including demanding the remuneration for the use and damage to the goods. The return of goods shall then be at the Buyer's expense.

§ 7. The transfer of ownership

1. The ownership is transferred to the Buyer:
 - a) – when purchasing in cash – at the moment of payment in the cash desk of the Seller
 - b) – when paying by bank transfer – at the moment of inflow of means of payment to the Seller's account
2. Until the end of the deadlines or occurrence of the events referred to in subparagraph 1 of this paragraph, the goods belong to the Seller and may be collected by the Seller if the Buyer is in arrears with payment in spite of a written call for payment in the indicated additional deadline.
3. The declaration of the Seller or a written agreement between the parties may establish other deadlines of the transfer of ownership.

§ 8. The trade credit insurance

1. Falken Trade Polska Sp. z o.o. Sp. K., with a view to secure, may perform the insurance of its receivables toward the Buyer. The Buyer is then obliged to undergo a screening by the Insurer.
2. Falken Trade Polska Sp. z o.o. Sp. K., in order to obtain additional means of financing, may sell/ divest or pledge its receivables.

§ 9. The complaints

1. In case of stating the quality discrepancy of the delivered goods with the accepted specification, the Buyer is obliged to notify the Seller immediately in a written form, however not later than 14 days from the date of the receipt of the goods or, otherwise, such quality complaints shall not be considered and any claims of the Buyer shall be lost by him, to that account. If the defect was recognized after the lapse of 14 days (hidden defect), the Buyer is obliged to notify the Seller about its detection immediately, however not later than within 3 days from its detection.
2. The complaint should be confirmed by the official documents (an official weight certificate, bill of lading, a quality certificate etc.). The complaint of the Buyer may not exceed the value of the goods in question.
3. The Seller shall notify the Buyer about the manner in which the complaint will be dealt within 14 days from the date of receipt of the complaint protocol.
4. Upon accepting the complaint, the Seller then is obliged to exchange the part of the goods under previous conditions or according to an agreed discount. The Buyer has no

right to file further claims and, especially, to demand further compensation, coverage of lost income, etc. The return or sales of the goods on the account of the Seller may take place with the written consent of the Seller.

§ 10. The Confidentiality Clause

1. The Seller undertakes to maintain the confidentiality of all information which is provided and made available to him in view of the proper execution of the order by the Orderer. Such information may be made available only to the employees and subcontractors working directly on the execution of a given order.

§ 11. The final provisions

1. Any disputes arising from implementation of the GTC or the sales contract shall be settled by a common court of local and material jurisdiction for the registered address of Falken Trade Polska Sp. z o.o. Sp. K.
2. The provisions of the Civil Code or appropriate provisions of specific acts shall be applicable in issues not regulated by this Contract.