GENERAL TERMS OF CONTRACTS IN PROTEA S.A.
(adopted by resolution of the Management of 6th November, 2015)

1) DEFINITIONS AND GENERAL PROVISIONS

a) As used in these General Terms of Contracts (hereinafter called "Terms") terms shall be understood:

- Employer - Protea S.A. with headquarters in Gdansk, ie. a legal person for which the acquisition of goods and / or delivery of goods and / or performance of the service is to be done;
- Contractor - a natural or a legal person designated as the Contractor in the Order, ie. an entity that sells goods and / or provides goods and / or performs a service to the Employer;
- Goods - a thing that is the subject of purchase and / or delivery and / or service which is the subject of execution;
- Inquiry - a written request of the Employer / Ordering Party addressed to the Contractor in order to receive the offer of the Contractor;
- Offer - Contractor's written statement forwarded to the Employer in response to the Inquiry constituting an offer within the meaning of Article 66 of the Civil Code;
- Purchase Order - a written declaration of the Offer acceptance by the Employer;
- Order Confirmation - Contractors written statement confirming conclusion of the Contract;
- Contract - a bilateral legal action, the subject of which is the sale and / or delivery of goods and / or performance of services made between the Contractor and the Employer, pursuant to the Offer and the Purchase Order, while maintaining the General Terms of Contracts in Protea S.A. hereinafter called "Terms";
- Parties - Contractor and Employer.

2) SCOPE

a) These Terms apply to all contracts for the sale and / or delivery of goods and / or service concluded with Protea S.A.. with a registered office in Gdansk, as the Employer.
b) Deviations from these Terms, in particular the Contractor's terms, shall require a consent of the Employer in writing, prior to the conclusion of the Contract.
c) The invalidity or exclusion, even contractual, of any provision of these Terms shall not invalidate or exclude of the other provisions of the Terms.
d) These Terms the Employer presents to the Contractor together with the submission of Inquiry.

3) CONCLUDING THE CONTRACT

a) The Contract shall be concluded upon receipt of the Order Confirmation by the Employer. In case when the Employer submit a derogation from the conditions on the Order Confirmation, the contract shall be concluded after the approval of the derogations by the Employer. No consent of the Employer on derogations from the terms of Purchase Order means that there has been no conclusion of the Contract. Employer accepts or not the derogations from the Purchase Order terms within 7 working days of receipt from the Contractor of the Contract changes proposal.
b) These General Terms of Contracts are an integral part of the Contract concluded.

4) CONTRACT TERMS

a) Any derogation from the provisions of the Purchase Order must be clearly marked by the Contractor on the Order Confirmation.
b) Submission of the Order Confirmation by the Contractor must occur within three working days of receiving the Purchase Order from the Employer.
c) Lack of a written Order Confirmation within three working days of receiving the Purchase Order from the Employer means the conclusion of the Contract and acceptance of the provisions cited in the Purchase Order and the General Contract Terms.
d) Supply of goods or accede to the service by the Contractor is synonymous with the Purchase Order confirmation and acceptance of provisions of the Purchase Order and the General Terms of Contracts and it means the conclusion of the Contract on the basis of the Purchase Order and this Terms.
e) Due to the implementation and maintenance of the Integrated Management System by the Employer in accordance with ISO 14001 (environmental management), ISO 9001 (quality management) and OHSAS 18001 (occupational health and safety management) Contractor is obliged to a conscious attitude to the environmental protection, quality and OSH and comply with the relevant requirements in this regard under the applicable law.
f) In the text of the Purchase Order the Employer shall specify the persons authorized to take decisions regarding the Order, binding the other party of the Contract. In the content of the Order Confirmation the Contractor shall specify the persons authorized to take decisions regarding the Order, binding the other party of the Contract.
g) At the request of the Employer, the Contractor and the Employer will confirm in writing the content of the Contract set out in the mode described in this section, in a separate document, signed by both Parties. In this situation, as the date of the Contract conclusion shall be considered the date indicated on the Contract drawn up in writing, unless the Parties otherwise agree.

5) PRICE AND PAYMENT

a) All prices contained in the Offer are fixed and cannot be changed during the implementation of the Contract.
b) In case of prices specified in a foreign currency, the Parties shall settle in PLN, according to the purchase rate by NBP on the day preceding the issuance of the invoice.
c) Any correspondence and invoices must be numbered with the order number given by the Employer. Incorrectly addressed or completed invoices / bills must be corrected by the Contractor at the Employer's call and re-deliver to the Employer. Properly billed and re-delivered invoices / bills shall be payable within 30 days from the date of their re-delivery to the Employer.
d) Any accounting documents, including invoices / bills issued by the Contractor in connection with performance of the Contract may be delivered to the Employer in an electronic form, provided that they will be sent to the following address: faktura@protea.pl. An accounting document shall be deemed to have been served if the Employer confirms its receipt in form of a message sent by electronic means.
e) If the required documents (listed in the Order) are not provided within 5 days of the goods or service delivery, the Employer reserves the right to withhold the payment. The payment period shall be counted from the moment when the required documents were received by the Employer.

6) DELIVERY

a) Delivery of goods is carried out as a whole. In case of a partial delivery, the payment period will be counted from the date of delivery of the last part of the Order. Payment for the service will take place after its complete performance and delivery a correctly issued invoice / bill to the Employer.
b) The costs of delivery of goods and / or materials, necessary to perform the service, to the location indicated by the Employer (transportation, insurance, taxes, fees and customs duties) covers the Contractor, unless otherwise specified.
c) If the Contractor delivers goods that do not conform to contract (faulty goods), the transport costs for both, the defective goods and goods delivered instead, covers the Contractor.

d) In case of defective goods, referred to in section c) above, the Employer may, at its sole discretion, make a statement of withdrawal from the Contract concluded, in whole or in part, and to demand the return of the price paid or request delivery of the goods in accordance with the Contract, within the period specified by the Employer. In case of failure to comply with the deadline of the goods delivery set by the Employer, pursuant to the previous sentence, the Employer is entitled to withdraw from the contract concluded and demand reimbursement of the price paid.

7) RETURNING OF THE NEW GOODS

The Employer may withdraw from the Contract and return the goods within 7 days of delivery without incurring additional cost, provided that the goods have not been used and still in original packaging.

8) GUARANTEE

The Contractor shall provide the Employer with the Guarantee for the sold and / or delivered goods and / or services. Guarantee terms previously determined and approved in writing by the Employer are set out in a separate document, delivered to the Employer by the Contractor together with the VAT invoice. If the Guarantee document is not delivered to the Employer, the Contractor warrants the Employer for the sold and / or delivered goods and / or services for a period of 2 years from the day of delivery / execution on the terms set forth in the Civil Code.

9) AUDIT

The Employer has the right to audit the Contractor for compliance with ISO 14001 (environmental management), ISO 9001 (quality management) and OHSAS 18001 (occupational health and safety management). The Employer is required to notify the Contractor about the audit 1 week before the scheduled date of the audit.

10) RESPONSIBILITY

Until the physical transfer of the goods to the Employer, the Contractor is responsible for the goods.

11) CONTRACTUAL PENALTIES

a) In case of delay in delivery of goods and / or services performed, the Employer is entitled to charge the Contractor a contractual penalty in the amount of 1% of the value of the undelivered goods and / or price of the service at the agreed time for each day of delay.
b) If the delay in delivery of goods and / or completion of service exceeds the 14 days deadline agreed in the Order, the Employer has the right to withdrawal from the Contract in at whole or in part, and to demand reimbursement of the price paid without the obligation to pay any costs or payment of damages to the Contractor.
c) The right to contractual penalties does not exclude the rights of the Employer to claim damages from the Contractor for non-performance or improper performance of the Contract on general terms.

12) TRADE SECRET

a) Any information relating to the Employer activity, which are not publicly known and are confidential, are a trade secret within the meaning of Article 11 of the Act on combating unfair competition of April 16th, 1993 (Dz. U. No. 47, item. 211).
b) The Parties agree that they will not disclose confidential information to third parties or use it for other purposes than direct fulfillment of the obligations under these Terms and Contracts.
c) The Contractor shall take all reasonable steps to prevent the disclosure of confidential information.
d) If the Contractor is obligated by mandatory law to disclose any information concerning the activities of the Employer, shall notify the Employer and work with him/her to eliminate or reduce to a minimum the negative effects of the disclosure of such information.

13) DISPUTES

a) These Terms and the contract are subject to Polish law, in particular the Civil Code, which is applicable to the Contracts concluded within a range not covered by their provisions and these Terms.
b) Any dispute arising between the Employer and the Contractor, arising out of the Contract and / or these Terms shall be settled by the court competent for the Employer.

14) CHANGE OF GENERAL TERMS OF CONTRACTS

The Employer reserves the right to change these General Terms of Contracts. When such a situation arises, the amended Terms shall apply to all contracts concluded after the date of entry into force of the new version of the General Terms of Contracts. In case of Contracts executed in parts, the new terms shall apply to partial deliveries / services for which the due date comes after the date of entry into force of the new General Terms of Contracts.