

GENERAL TERMS OF SALE OF BSK RETURN SA

§ 1

1. Goods are sold by BSK Return SA (hereinafter referred to as the "Supplier") in accordance with these General Terms of Sale (hereinafter referred to as the "GTS"), which apply to agreements or orders. Special terms of sale of Goods may be set forth in a separate agreement.
2. Goods, within the meaning of these GTS, are steel products sold by BSK Return SA.
3. The Supplier delivers Goods to the Ordering Party (the "Customer") based on an order submitted by the Ordering Party in writing or in an electronic form on terms set forth by the Ordering Party in such an order confirmed by the Supplier. If the order confirmation contains changes or additions, the Parties are bound by this modified order.
4. If the order confirmation contains changes or additions, the parties are bound by the modified order, unless – within 2 days of receiving the confirmation – the Customer issues a written notice or statement on its withdrawal from the order. The receipt of Goods by the end of the two-day deadline is tantamount to the Customer approving the modified order. Changes to the terms of order suggested by the Customer are binding on the Supplier, provided that these changes have been approved by the Supplier in writing. Placing an order based on new terms and making changes in such terms constitute a new offer within the meaning of the Civil Code, regardless of the length of business relationship between the Supplier and the Customer and require written confirmation by the Supplier. The day when an is confirmed by the Supplier is also the agreement date.
5. Terms of delivery of Goods are each time set forth in the Agreement. They are also governed by the Incoterms 2020 rules, but the Ordering Party does not become an owner of Goods until the price for Goods is fully paid, and the risk of loss or damage to Goods passes to the Ordering Party upon loading Goods.

6. To determine the agreement performance and its settlement, the weight of Goods is measured according to the Supplier's scale readings upon the Goods' acceptance by a carrier. A tolerance of +/- 10% in weight compared to what an order says is allowed.

§ 2

1. Prices specified in the GTS are net unit prices.
2. The Supplier reserves the right to unilaterally change prices of Goods, having previously notified the Customer about this fact in writing.
3. The Customer is obliged to make payments for deliveries within deadlines provided on invoices.
4. If the Customer does not make the payment within deadlines, the Supplier is entitled to contractual interest for the delay, even if the Supplier suffered no damage and even if the delay was a consequence of circumstances for which the Ordering Party was not responsible. Interest for delay will be calculated at the maximum rate annually in accordance with Article 359 of the Civil Code.
5. Regardless of the agreed method of payment, the price will not be considered paid until the Supplier's bank account is irrevocably credited with the full amount of the price.
6. The delivered Goods remain the property of the Supplier until the full price is paid. It does not however release the Customer from liability for Goods.
7. The Ordering Party that purchases Goods listed in Annex 11 to the Act of March 11, 2004 on Tax on Goods and Services (the "VAT Act") from the Supplier ensures that as of the date of purchase of Goods, including the date of guarantee, sureties, payment execution, or the day of receipt of Goods from BSK Return SA, the Ordering Party is a taxpayer referred to in Article 15 of the VAT Act, registered as an active VAT payer.
8. If the Ordering Party breaches the provisions of point 7 above and fails to prove it is

registered as an active VAT payer, it will be obliged to pay the amount due based on a corrective invoice issued by BSK, plus VAT and interest calculated from the VAT due date.

§ 3

1. In the event of delays in making payments for the delivered Goods, the Supplier is entitled, at its own discretion, to withhold further deliveries or withdraw from the agreement with the Ordering Party without suffering legal and financial consequences.
2. If the Parties have agreed the amount of a trade credit for the Ordering Party to be granted by the Supplier, the total value of due and undue liabilities of the Ordering Party towards the Supplier may not exceed the amount of the trade credit granted. If such due and undue liabilities equal the amount of the trade credit granted, the Supplier reserves the right to withhold further deliveries. Deliveries of Goods may continue after submitting additional security or debt insurance.
3. The Supplier reserves the right to reduce the trade credit amount or cancel it entirely if the Supplier deems it necessary. The basis for the cancellation or reduction of the trade credit is (i) the Supplier's knowledge of an unfavourable change in the Ordering Party's financial condition, (ii) deterioration in its solvency, (iii) other circumstances that may raise concerns on the part of the Supplier as to the Ordering Party's financial credibility and solvency and (iv) other reasons that the Supplier deems important.
4. Should the trade credit be cancelled, the Supplier has the right to demand payment for the Goods ordered in the form of a prepayment.
5. The amount of the trade credit is reduced, or the credit is cancelled when the Ordering Party receives information about changes in the amount of the trade credit.

§ 4

The Supplier may be held liable for non-performance or improper performance of the

agreement under terms set forth in the Civil Code and these GTS.

§ 5

In situations beyond the Supplier's control, the Supplier may withdraw from the agreement or deliver smaller quantities of Goods than set forth in an order and its confirmation, without any liability in this respect.

§ 6

1. The Supplier has the right to transfer its claim against the Customer to a third party without the Customer's consent, and the Customer shall be notified about this fact.
2. The Ordering Party has no right to set off any Supplier's debt against the Ordering Party's liabilities resulting from agreements or orders.

§ 7

1. If the Ordering Party fails to receive Goods within deadline set forth in the agreement or if the Ordering Party – notified by the Supplier about its intention to ship Goods – fails to confirm it is ready to receive them within deadline set by the Supplier, then the latter is entitled – at its discretion – to (i) set (in writing) another shipping date, (ii) issue an invoice for the sale of the Goods, (iii) store Goods at the sole cost and risk of the Customer and charge the Customer with such storage costs, (iv) withdraw from the agreement in whole or in part and demand that the Customer repair damage in the amount that covers the difference between the price for Goods agreed with the Ordering Party and the price for which Goods were sold to another buyer, or (v) have the Goods scrapped and demand that the Customer pay the price less the scrap value provided by the Supplier.
2. If Goods are not picked up within 7 days from the date of notification that they are ready to be picked up, the Supplier has the right to charge the Customer with storage costs in the amount of 1% of the delivery value for each day of storage.

§ 8

The Supplier has the right to impose a contractual penalty on the Customer in the amount of 50% of the value of the Goods ordered if the Customer withdraws from the agreement after its conclusion, and the Supplier has performed such an agreement, is performing it or has made financial outlays on its performance. The demand for contractual penalty payment does not deprive the Supplier of the right to claim compensation exceeding the amount of the aforesaid penalty on general terms.

§ 9

1. The Supplier grants a guarantee for Goods delivered to the Ordering Party on terms specified herein.
2. The Supplier is liable for defects in Goods for a period of 6 months from the date of loading a given batch of Goods to be provided to the Customer. Apart from the guarantee provided under these GTS, the Supplier shall not be liable for defects in Goods on other grounds.
3. The Supplier's liability under the warranty for physical defects is excluded.
4. The Supplier shall not be liable for corrosion, erosion or other surface defects of Goods caused by their improper storage or protection of Goods, including their improper protection during transport.
5. The Customer is obliged to check Goods immediately upon their receipt. The Customer is obliged to report to the Supplier any defects in Goods as soon as they are found (without undue delay), otherwise the Customer will lose rights related to defects of Goods. Visible defects, such as quantity shortage, surface defects, incorrect diameters, etc. must be reported not later than within 24 hours from the receipt of Goods; hidden defects of Goods must be reported within 2 days after such a defect was found, however not later than within 30 days from the date of loading a defective batch of Goods and making them ready for transport.
6. The Supplier shall not consider quality complaints about products the origin of

which is impossible to be identified due to the processing performed by the Customer.

7. As far as quality complaints are concerned, all costs related to the testing of Goods by the Customer without consultation with the Supplier, shall be borne by the Customer.
8. If the Supplier finds defects in Goods for which it is held liable, the Supplier will remove such a defect by using one these solutions at its own discretion: the Supplier may (a) take defective Goods back from the Customer and either refund to the Customer the equivalent of the paid price, or cancel the payment, or (b) replace defective Goods with Goods free from defects as soon as possible. The Supplier may, at its own discretion, remove defect by reducing the price accordingly. The Supplier's performance of the above obligations shall exhaust the liability for defects in Goods for any reason.
9. Cracks are allowed on the ends of bars in grades 41Cr4 and 42CrMo (S) 4. The permissible crack depth is $1xd$ (where d = diameter)
10. The scope of the Supplier's liability for delivery of defective Goods is limited only to the value of defective Goods as set forth in the agreement. Furthermore, the Supplier is not liable for any damage caused by products manufactured by the Customer from Goods delivered by the Supplier, or products of which such Goods form part. If the Supplier is held liable to any third party for material and non-material damage described in the above paragraph, the Customer shall indemnify and hold the Supplier harmless against such liability. If a third party makes a claim for damage described in this point against one of the parties to the agreement, such a party shall immediately inform the other party of this fact in writing. Neither party shall be liable to the other party for costs of processing, loss of profit, loss of use, loss of contracts or any other consequential or indirect loss of any kind.
11. Complaints, whether quantitative or qualitative, do not release the Ordering Party from an obligation to pay for Goods.

§ 10

1. The Supplier shall not be liable for non-performance or improper performance of the agreement in whole or in part if non-performance or improper performance of the Agreement is caused by force majeure.
2. For the purposes of these GTS, force majeure is considered to be an external event that (i) the party could not have either foreseen or prevented in spite of all due diligence exercised, and (ii) that completely or partially prevents the performance of the agreement. Force majeure events include: natural disasters (too low or too high air temperature, floods, earthquakes, etc.) any legislative act done by the government (e.g. expropriation) and civil disturbances (e.g. street riots, strikes, war, epidemics, epidemiological threats, etc.).

§ 11

1. Any disputes arising from the conclusion, performance, and pursuit of claims under these GTS shall be settled by a common court having jurisdiction over the Supplier's the registered office.
2. These GTS shall be governed and interpreted in accordance with Polish law.
3. In the event of any contradictions or discrepancies between the provisions of the GTS and the terms of purchase applied by the Ordering Party, the provisions of these GTS shall prevail.
4. The Supplier's contractual and tortious liability for all reasons, including for non-performance or improper performance of the agreement and the guarantee, is limited to 100% of the value of the agreement or an order.
 5. However, the Supplier shall not be liable for indirect damage or lost benefits of the Ordering Party, i.e. loss of production, loss of expected profit, loss of a customer, an order, etc.

§ 12

An order together with its confirmation constitute an integral part of the agreement

concluded between the parties. These General Conditions of Sale constitute an integral part of each agreement.

§ 13

These GTS become valid and effective from May 4, 2020. As of May 4, 2020, all previous conditions, provisions, and instructions, including those regarding agreements concluded after the above-mentioned date, shall expire.

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