

# **GENERAL TERMS AND CONDITIONS OF SALE**

*PASSAGE COSMETICS LABORATORY S.A.  
version 01 effective from 01.10.2019 r.*

# I. FIELDS OF APPLICATION

1 These General Terms and Conditions of Sale constitute an integral part of sales, delivery or service orders, as well as related contracts concluded between Passage Cosmetics Laboratory S.A. with its registered office in Gałków Duży, Poland (95-041) at ul. Główna 1, hereinafter referred to as the Supplier, and contractors hereinafter referred to as the Recipients, unless the cooperation agreements between the Parties provide otherwise.

The terms used later in these General Terms and Conditions of Sale mean:

„the Supplier” – Passage Cosmetics Laboratory S.A. with its registered office in Gałków Duży (95-041), ul. Główna 1, registered in the Register of Entrepreneurs of the National Court Register under the number KRS 0000775832, registry court: District Court for Łódź - Śródmieście in Łódź, 20th Commercial Division of the National Court Register, Tax Identification Number (NIP): 7282834405, National Business Registry Number (REGON): 381987152, share capital PLN 700,000 (paid in full) , BDO number: 000120524,

„the Recipient”- a contractor making a purchase of products or services from the Supplier, who is not a consumer within the meaning of the Act of 23 April 1964 Civil Code,  
„the Parties” – jointly the Supplier and the Recipient,  
„the Product” - products, goods and services that are the subject of the Suppliers's business and included in the commercial offer,  
„the Carrier” – courier, transport or forwarding company

2 The terms of the agreements between the Parties may be specified on the basis of individual arrangements of the Parties made in writing and / or by means of electronic correspondence, as well as in these General Terms and Conditions of Sale. In the event of discrepancies, the individual arrangements of the Parties take precedence over the provisions of the General Terms and Conditions of Sale, excluding the use of these editorial units of these General Terms and Conditions of Sale with which they contravene.

# II. GENERAL INFORMATION

1 The information posted on the Supplier's website (<http://www.passage.com.pl>) and in offers or price offers prepared by the Supplier (including information on the types of products, their specifications, variants and prices) do not constitute an offer in meaning of the provisions of the Act of 23 April 1964 Civil Code, and can be regarded only as an invitation to place orders. The Supplier reserves the right to make changes to the offered range and prices at any time. Placing information about the Product in the offers and on the website by the Supplier is not tantamount to its availability.

2 Before placing the first order, the Recipient is obliged to provide the following data necessary to register the Recipient in the Suppliers's system:  
a) registration certificate in accordance with regulations applicable to the Recipient,  
b) list of persons authorized to place orders on behalf of the Recipient.

3 If the Recipient fails to provide the Supplier with the list referred to in para. 3b above, it is assumed that it authorizes to place orders on

its behalf all persons conducting correspondence with the Recipient's data and company or name of the Recipient via e-mail in the Recipient's domain or using the Recipient's telephone / fax number or other forms of communication enabling the identification of a given person as an employee of the Recipient. Providing by the Recipient the data indicated above means that the Recipient has received and accepts these General Terms and Conditions of Sale of the Supplier.

# III. ORDERS, CONFIRMATION OF REALIZATION

**1** The condition of concluding a sales, delivery or service contract is submission of the order by the Recipient and confirmation of the order by the Supplier. The Recipient places the order via e-mail or in another manner agreed by the Parties. The order shall include:

- a) data of the Recipient,
- b) name and surname of the person placing the order,
- c) the description of the object of the order (product name, quantity of the product, other details to clearly specify the ordered Products),
- d) delivery date expected by the Recipient,
- e) in the event that the Recipient orders more than one Product and requires that all Products be delivered on the same date, it should enter an appropriate reservation in the content of the order. Otherwise, if it is impossible to deliver any of the ordered Products at one time, the Supplier shall enable successive collection of products by the Recipient as they are available on the dates indicated by the Supplier in correspondence regarding the order, carried out via e-mail.

**2** After receiving the order, the Supplier verifies the production capacity and sends the Recipient con-

firmation of the order, in which it specifies in particular: the name of the Product, quantity, price, delivery date, payment terms. Order confirmation may be sent by the Supplier via e-mail. The sales, delivery or service contract between the Parties is concluded as soon as the Supplier sends the order confirmation to the Recipient.

**3** If the conditions contained in the order confirmation deviate from the order placed by the Recipient in terms of price, payment terms, quantity of Products or delivery date, and the Recipient does not reject them within 2 business days from the date of receipt by sending an e-mail informing the Supplier about the rejection conditions, it is deemed to have accepted all the conditions set out in the order confirmation without reservation and that they bind both Parties.

**4** The Supplier shall, as far as possible, take into account the delivery dates proposed by the Recipient, depending on the availability of components for production and production capabilities.

**5** If any of the ordered Products cannot be prepared by the date proposed by the Recipient,

the Supplier shall specify in the order confirmation the date / dates for the implementation of Products or individual batches of Products. In the event of submission by the Recipient of the reservation referred to in the first sentence item 1 point e) above, the Supplier carries out the production of all ordered Products within the last of them.

**6** Subject to the exceptions provided for in these General Terms and Conditions of Sale (if any), from the moment the Supplier sends the order confirmation, its cancellation by the Recipient is not possible.

**7** If the Recipient entrusts the Supplier with its own production components, their delivery to the Supplier's warehouse is tantamount to submitting by the Recipient to the Supplier a statement of their proper quality and prior admission to further stages of production.

**8** Components entrusted by the Recipient must be delivered to the Supplier along with the necessary quality documentation.

**9** The Supplier has the right to refuse to release Products if the Recipient is in arrears with payment for any of Product's batches. In this case, non-delivery of Products does not constitute a breach of contract and cannot be understood as the failure or improper performance of an obligation by the Supplier.

# IV. PRICES AND TERMS OF PAYMENT

**1** Unit prices of the Products and payment terms shall be provided by the Supplier in price offers.

**2** The price offers indicate net prices to which the value added tax should be added (VAT).

**3** After submitting the order by the Recipient, the Supplier may update the price and payment terms in the order confirmation referred to in point III para. 2 above.

**4** Subject to point III para. 3 above, the Recipient is obliged to pay the price on the terms and within the time limits specified in the order confirmation sent by the Supplier.

**5** By payment of the price, the Parties understand the crediting of the Supplier's bank account indicated on the VAT invoice.

**6** In the event of a delay in payment, the Supplier shall be entitled to charge interest.

**7** In the event of the Recipient's delay in payment, the Supplier may demand interest for delay according to the maximum contractual interest rate provided for in art. 359 § 2 1 of the Act of 23 April 1964 Civil Code.

**8** In the event of a delay in payment of receivables by more than 14 days, the Supplier may refer the case to external recovery. The Supplier will charge the Recipient with the costs of external recovery.

**9** In the event that the Recipient delays the payment of any due payments to the Supplier, the Supplier, in addition to other rights arising from the contract, General Terms and Conditions of Sale and legal regulations, has the right to immediately suspend the execution of orders and refuse to accept further orders, until settlement of payments together with interest. All costs associated with the suspension of the implementation of the Products, in particular the costs of storage and insurance of the Products shall be borne by the Recipient.

**10** In the event of circumstances indicating a threat of timely fulfillment by the Recipient of its obligations, the Supplier reserves the right to suspend the release of Products to the Recipient and refuse to accept further orders until adequate security of payment is given in the form specified by the Supplier.

**11** After the Supplier accepts the order, prices may change, in particular due to the increase in component prices, customs fees, taxes, changes in exchange rates and/or other factors beyond the control of the Supplier. In the event of one or more factors referred to in the previous sentence, the Supplier shall have the right to change the prices of Products. The Supplier shall inform the Recipient by e-mail of price changes and will provide current prices. If the Supplier does not receive the Recipient's objection within 3 days from the date of informing the Recipient about new prices, it is considered that the Recipient has accepted the new prices set by the Supplier. The new prices will apply to all orders carried out after the

date of their acceptance by the Recipient in an express or implied manner. If the Recipient submits an objection, the Supplier shall be entitled to refuse to process the orders. The use by the Supplier of the right referred to in the previous sentence, excludes any liability for non-performance of the contract by the Supplier.

## V. IMPLEMENTATION DATES

**1** The delivery dates specified in the price lists and commercial offers are indicative. The Supplier gives the exact binding deadline in the order confirmation. The implementation deadline is the date the Product is released to the Recipient on the basis of EXW Gałków Duży, 95-041 Główna 1 Street (Incoterms 2010).

**2** Unless the Parties agree expressly otherwise, the obligation to collect the completed order rests with the Recipient and is implemented on the terms set out in point VI below.

**3** The Supplier shall not be liable for delay in the performance of the contract if the delay results from the following circumstances:  
a) Force Majeure within the meaning of point VIII below or  
b) any event other than Force Majeure for which the Supplier is not solely responsible

## VI. COLLECTION CONDITIONS

**1** The order is considered completed at delivery with a margin of quantitative tolerance of +/- 10%, with the proviso that the Recipient will be obliged to pay the price for the quantities of Products actually delivered.

**2** Reception is carried out by the Recipient on the terms EXW (Incoterms 2010) from the address of the Supplier's warehouse: Gałków Duży, Poland, Główna 1 Street, 95-041.

**3** The Recipient undertakes that: the means of transport used to transport the Products will meet the requirements for the transport of cosmetics, the means of transport used to transport the Products will be kept clean and in good technical condition, storage of the Products during transport as well as storage and sale will take place in conditions meeting the requirements set out in law. The Recipient is responsible for choosing the means of transport. The Supplier shall not be liable for any damages resulting from the Recipient's failure to comply with the appropriate conditions of transport and storage of the Products.

**4** In the event that it is expressly agreed by the Parties, the Supplier may, for a separate remuneration, make the delivery to the Recipient to the address indicated in the order, via an external carrier. The Parties consider the moment the Product is released to the Recipient when entrusted with the carrier for transport from the Supplier's warehouse.

**5** After the acceptance is carried out, the Recipient is obliged to immediately verify the quantity and quality of the assortment received.

**6** The document confirming the delivery is the warehouse issue – 'WM'.

**7** Unless the Parties agreed otherwise in writing or by exchange of electronic correspondence, delivery costs shall be borne by the Recipient.

**8** The carrier's liability for loss, defect or damage of a Product shipment shall commence upon its delivery to the carrier by the Supplier from the warehouse referred to in paragraph 2 above. The indicated liability of the carrier is governed by applicable law, including in particular the provisions of the Act of 15 November 1984 Transport Law.

**9** Immediately after the carrier releases the shipment, in the presence of the carrier, the Recipient is obliged to examine the delivery in terms of quantity and quality, in particular for visible damage that may have occurred in transport. Any deficiencies or damages to the Product should be recorded in the damage report and communicated to the Supplier immediately, no later than on the next business day after delivery of the Products. In the case of large deliveries of goods and / or deliveries in packaging, which checking in the presence of the carrier would be impossible or too time-consuming, the Recipient is obliged to thoroughly examine the goods and notify the Supplier of any shortcomings immediately, but not

later than within 2 business days from the date of delivery. Failure to notify the Supplier of the objections within the time limits referred to in this paragraph is tantamount to acceptance of the quantity and quality of Products delivered to the Recipient, as well as their compliance with the content of the order.

**10** The obligation to file a complaint and claims against the carrier for deficiencies or damage to the shipment rests with the Recipient.

**11** The Recipient is obliged to secure properly a damaged Product and allow its inspection by the carrier, the Supplier and/ or their insurers.

**12** The Recipient's acceptance of a shipment containing a Product without reservations shall be considered as confirmation of the correctness of delivery and shall result in the expiry of the Recipient's claims against the Supplier regarding irregularities in the Products.

**13** The Supplier shall not be liable for a delay in delivery resulting from reasons not attributable to the Supplier, in particular due to the fault of the carrier or force majeure.

**14** In the event of a delay in receipt of the Product by the Recipient, the Supplier has the right to charge the Recipient with the costs of storing the Product in the amount of 2% (two percent) of the gross value of the order for each commenced month of storage after the delivery date specified in the order confirmation. After 1 (one) month counted from the date of delivery specified in the order confirmation, the Supplier has the right to withdraw from the contract and demand, by way of a contractual penalty, an amount equivalent to 100% (one hundred percent) of the gross value of the contract. The above does not exclude the possibility of claiming compensation on general principles if the damage exceeds the value of the contractual penalty.

**15** After the collection is completed, the Supplier shall issue a VAT invoice to the Recipient for the Products received.

**16** A VAT invoice will be issued within 7 days from the date of delivery of the products from the Supplier's warehouse.

## VII. QUALITY

**1** The Supplier declares that the Products manufactured meet all legal requirements in force in the Republic of Poland, including production, technical, technological and quality requirements applicable to cosmetics

**2** In the event of placing Products on the market by the Recipient on a market other than the Polish market, the Recipient is obliged to inform the Supplier before starting production of any requirements regarding the quality of the Products resulting from the regulations of that country.

**3** In the event of a change in applicable law applicable to the quality of Products, other than EU law and Polish law, the Recipient shall be obliged to inform the Supplier in writing about this fact, immediately, no later than within 7 days from the publication of these provisions, indicating the scope of necessary changes to Products. The Recipient is obliged to cover all costs associated with the change.

The responsible person, pursuant to Regulation (EC) No 1223/2009 of the European Parliament and of the Council, is the Recipient.

## VIII. CLAIMS/QUALITY GUARANTEE

**1** The guarantee of the quality of given Products is granted for the shelf life of the Products, specified in the quality documents provided to the Recipient before placing the order. The Supplier's liability under the warranty for defects of Products, as specified in art. 556 et seq. and art. 609 of the Act of April 23, 1964, Civil Code, is expressly excluded.

**2** Consumption by the Recipient of more than 10% of the Products delivered for further processing by the Recipient within the batch for which the defect has been reported will be tantamount to accepting by the Recipient the quality of the entire batch of this product and waiving all claims related thereto, including in particular claims under the quality guarantee.

**3** During the quality guarantee period, the defect must be reported to the Supplier - under pain of losing the rights under the quality guarantee - within 7 (seven) days counted from the day on which the Recipient found the existence of the defect or in which it could at the earliest find it while maintaining the highest professional diligence.

**4** The complaint must contain accurate data enabling the Supplier to consider the complaint, such as: name of the Product, batch of the Product, detailed description of the defect, date and circumstances of the finding of the defect, invoice number, on the basis of which the Product was delivered, the Supplier may request additional information, while the Recipient is obliged to cooperate with the Supplier.

**5** The Recipient is obliged to provide the Supplier with samples of products necessary to conduct expert studies, enable on-site testing of the product's behavior during processing, as well as provide necessary information on the processing technology or conditions in which the product or intermediate was used and stored.

**6** If the Supplier recognizes the legitimacy of the complaint, the Recipient and the Supplier shall jointly choose the form of one of the following forms of resolving the complaint: correction of amounts due for defective Products or replacement of defective Products for free from defects.

**7** The Parties shall endeavor to consider the complaint in an efficient and amicable manner.

## IX. FORCE MAJEURE, RESPONSIBILITY

**1** The Supplier shall not be liable for non-performance or improper performance of its obligations, if the non-performance or improper performance results from circumstances caused by Force Majeure.

**2** By the Force Majeure the parties understand circumstances beyond the Supplier's control, in particular fires, floods and other natural disasters, wars, strikes, riots, demonstrations, epidemics, embargoes, interruptions or delays in the supply of raw materials, energy and components as well as other unforeseen disruptions, circumstances on the side of carriers, decisions of public administration bodies, changes in law, other similar circumstances.

**3** The Supplier's liability for the performance, non-performance or improper performance of contracts concluded on the basis of these General Terms and Conditions of Sale, including liability for damages caused to the Recipient (regardless of legal grounds) is limited to an amount equivalent to the price (remuneration) paid by the Recipient for an order, which performance, non-performance or improper performance was the

cause of the damage. Within the limits set out in the previous sentence, the Supplier shall be liable only for actual damages, without liability for lost profits, lost profits or any indirect damages which are in particular damages resulting from the loss of the contract, loss of remuneration (due at present or in the future) , loss of reputation, or in the form of contractual penalties due under contracts with third parties.

## X. CONFIDENTIALITY

**1** All information, studies, plans and documents that the Parties exchange between themselves in connection with the placing of orders or the sale of products shall be confidential. Each of the Parties may use them only for purposes related to the cooperation of the Parties, they may not make them available to third parties and they are required to secure them against access by third parties.

**2** The provisions of separate Confidentiality Agreements or similar agreements governing the confidentiality of information - if concluded between the Parties - remain in force

# XI. PERSONAL DATA PROTECTION

**1** The administrator of personal data within the meaning of art. 4 point 7 - Regulation (EU) 2016/679 of the European Parliament and of the Council of 27.04.2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46 / EC (General Data Protection Regulation), hereinafter referred to as: GDPR, is Passage Cosmetics Laboratory S.A. with its registered office in Gałków Duży (95-041), Poland at 1 Główna Street, contact details: correspondence address as above, telephone: +48 44 730 88 88.

**2** Personal data is processed on the basis of: art. 6 clause 1 b GDPR - to perform a contract to which the Recipient is a party or to take action at the request of the data subject before the conclusion of the contract

and / or

art. 6 clause 1 c GDPR - in order to implement public law obligations by the Administrator, resulting from the provisions of generally applicable law, applicable to the cooperation of the Recipient and the Supplier

and / or

**3** art. 6 clause 1 f GDPR - for the purposes of the legitimate interests pursued by the Administrator, in particular the determination or investigation of possible claims or defense against them, as well as the protection of the Administrator's business secret.

**4** Providing the data is voluntary, however, refusal to provide it will result in the inability to conclude and perform the contract between the Recipient and the Supplier and to conduct cooperation between these entities.

**5** The Recipient has the right to request the Administrator to access personal data concerning the data subject, rectify them, delete or limit processing, as well as the right to object to the processing, as well as the right to transfer data.

**6** The Employer has the right to lodge a complaint to the supervisory body, which is the President of the Office for Personal Data Protection.

**7** The data necessary for the performance of the contract provided by the Employer will be stored for the period of cooperation of the Parties extended by the period resulting from applicable law, including provisions on the obligation to store accounting documents, as well as by the period of limitation of claims, provided that the processing of data is necessary for the investigation of possible claims or defense against such claims by the Administrator.

**8** The data may be made available to: entities providing advisory services for the Administrator, legal, tax, accounting assistance, entities conducting payment activities, entities providing services related to IT and programming support to the Administrator, postal operators and courier companies - to the extent necessary for providing by these entities of services to the Administrator.

**9** Please be advised that personal data will not be transferred to a third country / international organization and that they will not be processed in an automated manner, including they will not be used for profiling.

## XII. FINAL PROVISIONS

**1** The current General Terms and Conditions of Sale are available on the Supplier's website: <http://www.passage.com.pl> and apply to orders placed by the Recipient during their validity. Each time the order is placed by the Recipient, it is tantamount to a statement that he has read the General Terms and Conditions of Sale available in the current version as at the date of the order and does not raise any objections to them.

**2** The Supplier may also provide these General Terms and Conditions of Sale as an attachment to offers, price offers, price lists or orders. If the Recipient maintains regular trade relations with the Supplier, its acceptance of the General Terms and Conditions of Sale on one order shall be deemed as their acceptance for all other orders.

**3** In a situation in which the provisions of these General Terms and Conditions of Sale are or become invalid or unenforceable, the remaining provisions shall retain their binding force, and the invalid or unenforceable provision shall be replaced by other valid and enforceable provisions, as close as possible to the provision being replaced.

**4** The law applicable to these General Terms and Conditions of Sale and all contracts concluded on the basis of General Terms and Conditions of Sale is law of the Republic of Poland, and all disputes arising from these contracts and/or General Terms and Conditions of Sale will be settled by a common court competent for the seat of the Supplier. The application of the United Nations Convention on Contracts for the International Sale of Goods done at Vienna on 11 April 1980 is expressly excluded.