



QMH-Kod: B II 1-90

**GENERAL TERMS AND CONDITIONS OF PURCHASE
(TERMS AND CONDITIONS) of raw material and packaging**

Strona 1 z 4

Kod: Z01 AZ 2 5
Z dnia 2022-10-27

1. General Provisions

- 1.1. These General Terms and Conditions of Purchase ("Terms and Conditions") shall apply to all deliveries of raw materials and packaging between Grana sp. z ograniczona odpowiedzialnoscia (the Client) and the Supplier.
- 1.2. The Client may recognise the agreement specimens applied by the Supplier in a clear form in writing on pain of invalidity. Whenever the Supplier accepts an order for performance, it shall be equivalent to recognising these Terms and Conditions in their entirety. Any amendments to these Terms and Conditions shall be communicated to the Supplier after implementation thereof.
- 1.3. *Out of concern for the quality of its products and positive relations with customers, suppliers and employees, the Client complies with the requirements of Polish and European law and additionally joined the global Ethical Trade Initiative (ETI). It is an alliance working in partnership to improve the quality of life for employees around the world. Participation in this initiative obliges us to constantly improve the effects of ethical activities in the entire supply chain, in accordance with the ethical standard of the Ethical Trade Initiative.*
- 1.4. *The actions of the Client in the CAFEA Group's supplier network are based on the "OECD Guidelines for Responsible Business" and cover the following topics: freedom of assembly and the right to collective bargaining, non-discrimination, wages, working time, work safety, prohibition of child labour, prohibition of forced labour and environmental protection and security.*
- 1.5. *The supplier should establish an anonymous grievance mechanism and corruption, bribery or breach of trust in any form is prohibited.*
- 1.6. *The Client takes care about the economical use of natural resources (in particular energy, water, raw materials, primary materials) and ecologically sustainable and energy-saving processes as well as the extensive minimization of environmental impacts (in particular emissions, pollutants, waste, sewage). When purchasing products that have or can have an impact on primary energy consumption, the purchase can be assessed partially on the basis of energy performance (energy consumption, energy consumption, energy efficiency). Suppliers will also be informed by the Client of the need to meet this requirement.*

2. Proposal of the Supplier

- 2.1. The provisions of this section shall apply both to proposals made by the Supplier in response to a request for a proposal placed by the Client and proposals made at the sole initiative of the Supplier.
- 2.2. The deadline for placing proposals shall pass on the day specified in the request for a proposal. Proposals placed after this deadline shall not be considered. Any costs related to preparing the proposal and its placing shall be incurred by the Supplier. A lack of immediate response of the Client to a proposal received from the Supplier shall not be interpreted as acceptance thereof. The Client shall confirm proposal acceptance by e-mail.
- 2.3. The Client may carry out an internal audit at the relevant Supplier on the terms and conditions agreed beforehand. The Supplier shall provide the Client with access to any documentation related to the goods delivered and provide all the necessary information in this scope.

3. Orders

- 3.1. The Client shall place orders exclusively with the Supplier whose proposal has been accepted in the manner specified in Section 2 (3) of these Terms and Conditions. Orders shall be placed in a form generated electronically with no signatures required.
- 3.2. In extraordinary circumstances goods may be ordered orally with the stipulation that any such order shall be immediately confirmed by e-mail. The volume of the order shall be binding on the Client.
- 3.3. Whenever no reservations have been made by the Supplier in writing, either by e-mail, by 3:00pm of the business day following the day on which the Supplier received the relevant order, the order shall be deemed accepted without any reservations. Both parties may modify the order after this date, including the order performance date and the amount of goods to be delivered.
- 3.4. Performance of each and every order shall be immediately confirmed on the copy of the order form by the person authorised by the Client to receive it.



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4. Settlements and Payments

- 4.1. The price, its currency as well as the terms and conditions of the delivery and payment specified in the order and determined on the basis of prior negotiations shall be binding on both Parties. The terms and conditions of deliveries shall be determined in accordance with the enforceable provisions of the law and on the basis of the INCOTERMS 2020 international commercial terms.
- 4.2. The Supplier shall issue an invoice immediately after performing the relevant order and deliver it to the Client separately from the goods. Invoices for goods shall be issued separately for each order performed unless the Parties agree otherwise. Each invoice shall contain the following: the date of the delivery, the number of the order, specification of the type and quantity of goods delivered and details of the Supplier in accordance with the nomenclature included in the order sent by the Client.
- 4.3. The price shall be paid within 30 days from the day of performing the relevant order by transfer to the bank account of the Supplier. Payment shall be deemed effected upon crediting the bank account of the Client. The Parties may agree on another form of settlement. In any case, the payment period shall begin to run upon receipt by the Client of an appropriately made out invoice or corrective invoice at the earliest.
- 4.4. The supplier has the ability to send e-invoices. The consent must be confirmed in writing (or by e-mail) by the Client and from the date of signing, shall apply to all deliveries made by the Supplier.
- 4.5. To send e-invoices, the following conditions must be fulfilled: The invoice should be sent to the e-mail address: e-invoice.GRANA@cafea.com, each email should contain only one attachment (the number of pages does not matter) 2 invoices- 2 emails, attachments should be in pdf or tiff format (*.pdf *.tiff)
- 4.6. Payments shall be made in whole with respect to goods free from defects. In the case of quality complaints, the Client may, without defaulting on the payment, refrain from effecting the relevant payment until the cause of the complaint has been removed and further terms and conditions of cooperation have been agreed by the Parties.

5. Deliveries

- 5.1. Delivery time, compliance with deadlines as well as the quantity and quality of goods are of key importance for the Client. The delivery time agreed shall be binding on both Parties.
- 5.2. The Supplier, except for EX WORKS sales, shall be obliged to send prior notice of the relevant delivery one day ahead of its performance. Whenever the delivery date falls on the first day after a statutory holiday, such a notification shall be submitted on the last business day prior to this holiday, during Monday and Thursday till 3 pm, on Friday till 1pm (CET). Such a notification shall be sent to the Client by e-mail (zakupy@grana.pl) and it shall comprise specification of the goods to be delivered and the quantity thereof, details of the Supplier, the number of the order, the registration number of the vehicle via which the Supplier will perform the order and personal details of the driver. Providing the driver's business mobile , will result in receiving a message containing a QR code, authorizing him to enter the Grana plant.
- 5.3. Whenever goods are delivered by a courier company, the Supplier shall be obliged to provide details of this courier company. Deliveries of grain shall require partial notification, i.e. without specifying the weight of the goods delivered as it will be checked on the premises of the Client.
- 5.4. A lack of timely notification may result in a refusal to accept the goods for the warehouse.
- 5.5. In the case of repeated delivery delays as a result of which the Client had to incur additional costs (due to putting the production line on hold for instance), the Client may impose a fine determined separately. The Client may claim supplementary compensation in an amount exceeding the contractual penalty in line with general principles.
- 5.6. Goods ordered by the Client shall be delivered to the warehouse in Skawina at ul. Piłsudskiego 1 or ul. Majdzika 15, Monday-Friday at 6:00am-2:00pm. The exact address will be set separately.
- 5.7. Any goods delivered shall be loaded onto pallets in such a manner so that no part thereof protrudes outside the pallet and they shall be secured with plastic wrap unless the Parties have agreed on a different mode of packing and securing the goods. The Supplier uses pallets of the following sizes: 1000*1200 mm and 800*1200 mm. Any pallet loaded with goods shall not be higher than 1800 mm. On each pallet the Supplier shall place a notice containing: details of the Supplier, the type and number of goods (in accordance with the order placed), the quantity of goods on one pallet, the number of the Client's order, the production date and the batch number.



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The batch number shall be defined as the last 5 digits from the number of the order and two subsequent ones from the number of the delivery within the relevant order (e.g. 22273/01).

- 5.8. Labels of deliveries of first contact packaging shall bear “*a sign of fitness of the material and goods for contact with food*”.
- 5.9. If the delivered raw material is Halal or Kosher certificated, the possession should be noted on packaging.
- 5.10. Deliveries shall be carried out with the use of clean cars. At the request of the Client, the driver shall present proof that the car was washed at a time preventing it from getting dirty before loading the goods delivered to the Client.
- 5.11. All documents accompanying the delivery, incl. Delivery Note, CoA or other issued by the Supplier for the Client should be sent at the latest one day before planned delivery to: zakupy@grana.pl

6. Quality of the Goods

- 6.1. Before carrying out an order, the Supplier shall be obliged to sign the specification of the goods on the form delivered by the Client. The Supplier shall guarantee that the goods delivered comply with the specifications signed.
- 6.2. In the case of delivering raw materials, the Supplier shall also be obliged to present a representative sample of the relevant raw material, a declaration of allergens, a *non-GMO* declaration, Halal certification or non-pork declaration, *vegan/wege declaration*, non-radiation statement and a declaration of conformity for the packaging securing the raw material. In the case of delivering packaging, the Supplier shall also present a declaration of conformity.
- 6.3. Whenever the Parties have agreed to this effect, the Supplier of the packaging shall present patterns of this packaging. Regardless of the type of goods delivered, at request of the Client the Supplier shall be obliged to present other documents, in the Polish language (or in the English language), concerning the goods delivered which are required to use the relevant goods in the production process.
- 6.4. Unless agreed otherwise, the Supplier shall be obliged to present a certificate pertaining to the relevant delivery certifying the conformity of the goods delivered to the goods ordered or otherwise the delivery shall not be accepted.
- 6.5. In the scope of control and acceptance of goods, the Client shall apply procedures consistent with the *International Featured Standard (Food)*. The Client shall be obliged to immediately notify the Supplier of physical defects and any other inconsistencies with the agreement of the goods delivered unless it was impossible to detect them in the ordinary course of business.
- 6.6. The provisions of the Act dated 23 April 1964 – the Civil Code shall apply to matters not governed herein in order to determine the powers of the Client resulting from the warranty for physical defects of the goods delivered.

7. Force Majeure

- 7.1. The Parties shall not be held liable for a failure to perform or inadequate performance of delivery whenever it results from force majeure or an event beyond the control of the Parties or whose consequences could not have been prevented even when exercising the utmost skill and care.
- 7.2. Industrial action or any other disputes, blockages, temporary suspension of transport or shortages in the goods ordered shall not be deemed force majeure.
- 7.3. A Party affected by force majeure shall be obliged to immediately notify the other Party of the circumstances described in Section 8 (1) of these Terms and Conditions, however, not later than on the first business day after the occurrence thereof, and also to submit an appropriate confirmation in writing of such an occurrence within 5 business days.

8. Trade Secret

- 8.1 Any documents, annexes and information provided to the Supplier by the Client shall constitute trade secret of the Client's enterprise as defined in the Act dated 16 April 1993 on Combating Unfair Competition and it may not be made available to any third parties unless the Clients gives its consent thereto in writing.



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9. Governing Law and Final Provisions

- 9.1. Legal relationships between the Client and the Supplier specified in these Terms and Conditions shall be governed by Polish law.
- 9.2. Any disputes resulting from legal relationships between the Client and the Supplier specified in these Terms and Conditions shall be settled by the common court of law of appropriate venue for the registered office of the Client.
- 9.3. Whenever an agreement between the Parties is referred to herein, it shall be understood as placing declarations by the Parties by e-mail, in writing.

Grana sp. z ograniczoną odpowiedzialnością
ul. Piłsudskiego 1 • 32- 050 Skawina