



GENERAL TERMS OF SALES (GTS) OF FLAVOURS FACTORY (FF)

I. Definitions

1. **Terms** - refer to these General Terms of Sales.
2. **Sales Agreement** - refers to any cooperation agreement (including distribution agreements), individual sales agreements, or orders specifying the assortment, quantity, packaging, and quality, concluded between the Buyer and the Seller (as described in section III of these Terms).
3. **Seller** - refers to Flavours Factory sp. z o.o.
4. **Buyer** - refers to the other party of the Sales Agreement, which is not the Seller.
5. **Goods** - refers to the aroma or other products offered by the Seller, which are the subject of the Sales Agreement.
6. **Party/Parties** - refers to either the Buyer or the Seller.
7. **Documentary Form** - refers to the submission of a statement of intent by a Party via email.
8. **In Writing** - refers to the submission of a statement of intent by a Party on a document and the signing of such a document (scan) by the representative of the Party.
9. **Force Majeure** - refers to an unavoidable and unpredictable event, which the Party affected by its action or consequences had no control over and could not avoid despite taking appropriate measures, with the stipulation that this concept does not include economic slowdowns, changes in general business conditions, and other similar business events.
10. **Complaint Form** - a form, the completion of which forms the basis for initiating the complaint procedure.
11. **Order** - an order for goods placed by the Buyer.

II. General Provisions

These Terms:

1. apply to and govern every Sales Agreement unless explicitly stated otherwise in the provisions of the Sales Agreement,
2. in case of doubts, ambiguities, or discrepancies between the provisions of the Terms and the provisions of the Sales Agreement or order, the conflict shall be resolved in the following order:
 - a. Sales Agreement,
 - b. Order,
 - c. Terms,
3. invalidate and exclude the application of any general purchase conditions applicable to or used by the Buyer unless explicitly stated otherwise in the provisions of the Sales Agreement.

III. Buyer's Orders, Order Fulfillment

1. If the Buyer places a written order via email with the Seller to purchase specified Goods, indicating at least:
 - a) quantity of the Goods,
 - b) net price/kg of the Goods,
 - c) assortment,
 - d) type of packaging for the Goods in each assortment,
 - e) expected delivery/pick-up date (date and time),
 - f) place of delivery,
 - g) payer,then upon receipt by the Buyer of the Seller's written statement of acceptance of the order for fulfillment, or - in the case of the Seller proposing written changes to the order placed by the Buyer (modified order) - upon receipt by the Seller of the Buyer's written statement of acceptance of the proposed changes, a Sales Agreement shall be concluded between the Parties, under the terms specified in the order or, respectively, in the modified order.
 2. The Seller will confirm acceptance of the order for fulfillment, reject the order for fulfillment, or propose changes to the conditions specified in the order placed by the Buyer within 2 (two) business days from the date of its receipt to the email address indicated by the Buyer in the order. The Seller's failure to respond to the placed order will not be considered acceptance of the Buyer's Order.
 3. For orders submitted after 3:00 PM, the above term starts from 8:00 AM the following day.
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4. Changes proposed by the Seller to the order placed by the Buyer will require the Buyer's acceptance. The Buyer will accept or reject the proposed changes within 2 (two) business days from receipt of the Seller's proposed changes. Acceptance or rejection will be made by the Buyer via email to the address indicated by the Seller.
5. The fulfillment time for orders, due to logistical and technological processes, is up to 20 business days for powdered aromas and up to 10 business days for liquid aromas, unless other terms are agreed upon in the Order. The Seller reserves the right to extend the order fulfillment time in exceptional cases due to reasons beyond the Seller's control, in which case the Buyer will be promptly informed of the new order fulfillment date.
6. The Seller reserves the right to reject the Order within the term specified in point 2 above without providing a reason.
7. Once the Order has been accepted by the Seller, the Buyer cannot change or withdraw the Order without the Seller's consent.
8. It is assumed that the person placing the order on behalf of the Buyer is authorized to do so, and the Buyer is not entitled to question such authorization after placing the Order.

IV. Assortment, Quality, and Packaging of Goods

1. The Goods will be sold in the assortment (type and quantities) agreed upon by the Buyer and Seller in the Sales Agreement.
2. The Goods sold to the Buyer under the Sales Agreement will meet the quality requirements specified in the product specification.
3. The packaging of the Goods will meet the quality requirements specified in the declarations of conformity for food packaging.

V. Sales Price of Goods, Method, and Terms of Payment

1. The sales prices of the goods agreed upon by the Buyer and Seller in the Sales Agreement will be net prices.
2. VAT at the rate applicable at the time of invoicing will be added to the net sales prices.
3. The VAT invoice will be issued on the day the goods are dispatched. A WZ document (dispatch note) will be generated automatically.
4. The VAT invoice will be sent electronically (to Clients who have signed an agreement for receiving e-invoices). For other Clients, the invoice will be attached to the delivery documents (an envelope affixed to the shipment).
5. Each VAT invoice will contain:
 - a) the full name of the company or the name and surname of the Buyer,
 - b) the Buyer's tax identification number (NIP),
 - c) the Seller's tax identification number (NIP),
 - d) the assortment and quantity of the sold goods,
 - e) the price to be paid (net and gross),
 - f) data required by the VAT Act,
 - g) the payment term,
 - h) the bank account number for payment.
6. The conclusion of the Sales Agreement between the Buyer and Seller in the manner specified in section III of the Terms will authorize the Seller to issue VAT invoices without the Buyer's signature.
7. The sales price (amount due) will be payable by bank transfer to the Seller's account indicated on the invoice.
8. The sales price (amount due) will be payable in accordance with the agreed payment terms. The payment term starts from the date the Seller issues the relevant VAT invoice. If the payment due date falls on a public holiday, the payment term will expire on the last business day preceding that day.
9. The payment date is considered the date on which the due funds are credited to the Seller's account.
10. In case of payment delays, the Seller has the right to charge statutory interest for delays in commercial transactions.
11. Regardless of the provisions of section 10 of this article, if the Buyer's delay in paying any amount due for the sold Goods or a part thereof exceeds 10 days, the Seller will have the right to:
 - a) suspend, regardless of the agreed delivery dates, the issuance (delivery) of the Goods under any or all Sales Agreements concluded between the Buyer and Seller in the manner specified in section III of the Terms until the Buyer settles the overdue payments along with interest and/or
 - b) withdraw from any or all Sales Agreements concluded between the Buyer and Seller in the manner specified in section III of the Terms,
 - c) withdraw from any or all Orders sent to the Buyer for acceptance in accordance with section III, subsection 4 of the Terms.

The Seller's exercise of the rights mentioned above will not entitle the Buyer to claim any damages, compensations, or reimbursements from the Seller.



VI. Delivery Conditions, Logistic Minimums, Delivery Delays

1. The quantity, quality, assortment, and type of packaging of the Goods will be specified in each Sales Agreement.
2. The delivery conditions of the Goods are defined by the Incoterms 2020 formula agreed upon by the Parties in the Sales Agreement unless explicitly stated otherwise in the provisions of the Sales Agreement.
3. Goods deliveries are made based on orders placed by email by the Buyer, unless explicitly stated otherwise in the provisions of the Sales Agreement.
4. Goods are sold in the packaging specified in the product specifications.
5. The logistic minimum (MOQ) is 10 kg (for powdered aromas) and 4 kg or 5 kg (for liquid aromas depending on the carrier used).
6. Notwithstanding the Seller's reservation of ownership of the Goods, the benefits and burdens associated with the Goods and the risk of accidental loss or damage to the Goods pass to the Buyer, subject to the provisions of the next sentence, upon the issuance of the Goods to the Buyer. If the Buyer delays in receiving the Goods made available and ready for issuance, the said benefits, burdens, and risks pass to the Buyer when the Seller makes the Goods available to the Buyer.
7. The Buyer's claims in connection with the Seller's failure to perform or improper performance of the Sales Agreement and the Buyer's right to withdraw from the Sales Agreement in such a case are governed by applicable laws. Unless otherwise provided by such laws, before withdrawing from the Agreement, the Buyer is obliged to request the Seller, by a written notice under penalty of nullity, to perform the overdue obligations within an additional reasonable period specified in such notice, but not shorter than 5 business days from the date of delivery of the notice.
8. The Seller may deliver goods originating from or manufactured in any location.
9. In case of the Seller's failure to perform or improper performance of the Sales Agreement, the Buyer, at the Seller's request, will inform the Seller whether they intend to continue performing the Sales Agreement and whether and what claims related to the Seller's failure or improper performance of the Agreement they intend to pursue.
10. The Seller is not liable for delivery delays caused by actions or omissions of carriers.

VII. Own Means of Transport, Goods Collection

1. If the Goods are collected by the Buyer or a carrier or courier company employed by the Buyer, the Seller may refuse to issue the Goods to the driver of the provided means of transport who does not present to the Seller, upon request, a certificate or proof that the given means of transport meets the technical and sanitary conditions for transporting food products. Such a refusal to issue the Goods by the Seller will not be considered non-performance or improper performance of the Sales Agreement nor as a delay on the part of the Seller in the issuance of the Goods and will not entitle the Buyer to make any claims against the Seller. The Seller is not obliged to demand the aforementioned proof from the driver, which means that the sole responsibility for ensuring that the given means of transport meets the above requirements lies with the Buyer or the carrier or courier company employed by the Buyer to transport the Goods.
2. If the collection of hazardous Goods (ADR) is carried out by the Buyer or a carrier or courier company employed by the Buyer, the Seller is obliged to refuse to issue the Goods to the driver of the provided means of transport who does not present to the Seller, upon request, a certificate that the given means of transport meets ADR conditions for transporting products and a certificate that the driver has undergone appropriate training in this regard. Such a refusal to issue the Goods by the Seller will not be considered non-performance or improper performance of the Sales Agreement nor as a delay on the part of the Seller in the issuance of the Goods and will not entitle the Buyer to make any claims against the Seller.
3. If the Buyer does not collect the purchased Goods within the delivery period or date(s) specified in the Sales Agreement, the Seller, notwithstanding other claims they may have under applicable laws, may store such uncollected Goods or commission their storage to another entity at the Buyer's expense and risk.
4. The quantitative acceptance of the Goods is carried out by the Buyer at their sole expense and risk at the time the Goods are issued by the Seller.

VIII. Documents Confirming the Issuance of Goods

1. The documents confirming the release of Goods to the Buyer will be the WZ document.
 2. The WZ document will be issued by the Seller's customer service department and handed over by the person physically releasing the Goods on behalf of the Seller to the Buyer or to the person collecting the Goods on behalf of the Buyer.
 3. The WZ document will be issued in accordance with the template attached as Appendix No. 1 to the Conditions.
 4. The WZ document will be issued for each quantity (batch) of Goods released to the Buyer.
 5. The WZ document will be issued in at least 2 copies: 1 copy for the Buyer and 1 copy for the Seller.
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6. If the Goods are collected by a carrier/forwarder employed by the Buyer, the driver to whom the Goods are released will be considered the person collecting the Goods on behalf of the Buyer.
7. If the Goods are delivered to the Buyer by a carrier/forwarder employed by the Seller, the driver delivering the Goods to the place of release will be considered the person releasing the Goods on behalf of the Seller.
8. Each batch of Goods will be accompanied by a certificate of analysis.
9. The Buyer ensures that the person collecting the Goods is authorized to do so on behalf of the Buyer. The Buyer cannot raise objections against the Seller that the person collecting the Goods on behalf of the Buyer acted without authorization.

IX. Time and Place of Goods Release

1. The Goods subject to the Sales Agreement will be released to the Buyer in the manner (single delivery or in batches), within the timeframes, and at the places agreed upon by the Buyer and the Seller in the Sales Agreement.
2. If the place of release of the Goods is the Seller's warehouse or a third party warehouse where the Goods are stored on the Seller's behalf, the costs, risk, and obligation of loading the Goods onto the transport means provided by the Buyer will be borne by the Seller.

X. Quality and Quantity Acceptance of Goods, Complaints

1. The quality and quantity acceptance of the Goods will take place at the place of release to the Buyer or the person collecting the Goods on their behalf.
2. The Buyer or the person collecting the Goods on their behalf will be obliged to assess the Goods upon receipt. In case of any quantity discrepancies or visible physical defects (including defects in packaging and securing the Goods on pallets), the Buyer or the person collecting the Goods on their behalf must report them as reservations on the WZ document and immediately submit a complaint report also signed by the driver.
3. Physical defects and quantity shortages revealed after the Goods have been released to the Buyer will not be subject to complaints if they arose from causes other than defects inherent in the Goods before their release to the Buyer or the person collecting the Goods on their behalf. This particularly applies to quantity shortages and quality defects resulting from improper storage of the purchased Goods by the Buyer, improper transportation of the Goods from storage rooms to production halls, sales units, etc.
4. In case of submitting a quality complaint regarding the delivered Goods, the Buyer, for the validity of the written complaint, must provide the Seller with a complaint form (attached as Appendix No. 2 to the conditions) along with the batch number and attachments (photos, laboratory analyses, etc.). The complaint must be submitted no later than within 7 days from the day the defect was detected by the Buyer or from learning about the defect, under the penalty of losing the warranty rights.
5. Complaints submitted by the Buyer without written form, to which the complaint form mentioned in paragraphs 2 and 4 of this section along with attachments (photos, laboratory analyses, etc.) are not attached, will not be considered and will have no legal effect.
6. The Seller is obliged to review a properly submitted complaint and inform the Buyer in writing about their position regarding the complaint within no more than 10 business days from the date of its receipt. The exception is a situation where reviewing the complaint requires commissioning tests in an external laboratory; in such a case, the Customer will be informed about this necessity.
7. In case of refusal to accept the complaint, the Seller is obliged to justify their position.
8. The Seller's failure to take any position regarding a properly submitted complaint within the agreed time will be considered as acceptance of the complaint.
9. The delivered Goods should be stored in dry, clean, and heated warehouses (storage conditions are specified in the product specifications). Warehouses should be protected against rodents, birds, and other pests.
10. Submitting a complaint by the Buyer does not release the Buyer from the obligation to pay the sale price for the Goods subject to the complaint on time.

XI. Force Majeure

1. Neither Party shall be liable for non-performance or improper performance of the Sales Agreement caused by the action or effects of Force Majeure.
 2. The Party affected by the action or effects of Force Majeure is obliged to immediately notify the other Party in documentary form and make every effort to minimize the duration and adverse impact of Force Majeure on the performance of obligations under the Sales Agreement.
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3. If the delivery period specified in the Sales Agreement or the delivery deadlines resulting from the Sales Agreement or orders placed by the Buyer cannot be met due to Force Majeure, they will be appropriately extended.
4. If the inability to perform the Sales Agreement or the inability to properly perform the Sales Agreement caused by Force Majeure lasts longer than 30 days (continuously), either Party may withdraw from the Sales Agreement after the above 30-day period without setting an additional deadline for the other Party to fulfill overdue obligations.

XII. Retention of Title of Goods – Consequences

1. The Seller may reserve the right of Goods ownership in the Sales Agreement until full payment of the Price.
2. In case of retention of title, the Goods remain the property of the Seller until full payment of the price. In case of non-payment, the Seller may choose to reclaim the Goods or file a lawsuit for payment.
3. Goods for which the Buyer has not made payment cannot be returned without the explicit and prior consent of the Seller.

XIII. Other Types of Liability

1. The Seller is liable only for actual damages incurred by the Buyer directly resulting from defects in the delivered Goods. The maximum amount of the Seller's liability for any damage resulting from the agreement, delivery of Goods, or any other legal basis is limited to the actual damage incurred by the Buyer and cannot exceed the value of the Goods concerned, as indicated on the invoice.
2. The Seller's liability does not include lost profits, anticipated savings, interruptions in business activity, or any other indirect or consequential damages. The Seller is not liable for lost profits, anticipated savings, data loss, non-material damages, financial losses, or any other indirect or consequential damages resulting from the use or inability to use the Goods.
3. The Buyer undertakes to immediately notify the Seller of any defects in the Goods and to enable the Seller to rectify the defects or replace the product to minimize potential damages.
4. Any claims by the Buyer against the Seller for damages must be submitted in writing within 30 days from the date of the damage occurrence. Failure to submit a claim within this period will result in the expiration of all claims against the Seller.

XIV. Confidentiality

1. Each Party undertakes not to disclose to third parties any information related to the conclusion of the Sales Agreement or commercial or organizational information regarding the other Party's enterprise obtained in connection with the performance of the Sales Agreement.
2. In the case of the Seller, the confidentiality requirement resulting from paragraph 1 above does not apply to information transferred to the following companies: Flavours Factory sp. z o.o.; Interfiber sp. z o.o.; Additivia sp. z o.o.; Libra Food Ingredients sp. z o.o.; Lauta; Custom Fiber.

XV. Deliveries

1. Declarations of intent, notifications, summons, etc., made by the parties in the performance of the Conditions and the Sales Agreement, for which no electronic mail delivery is provided, will be made in writing and delivered to the other party by courier or registered mail (in each case with acknowledgment of receipt).
2. If one of the parties fails to collect a second notice of a shipment sent by Polish Post or a courier, the correspondence will be considered effectively delivered on the last day when the party had the opportunity to collect the noticed shipment.
3. In case of a change of the delivery address, the party affected by such a change is obliged to immediately inform the other party of the new delivery address in writing. Failure to do so or incorrect fulfillment of this obligation by one of the parties entitles the other party to send a declaration of intent, notification, summons, etc., to the last known delivery address, and such delivery will be considered effective on the day the shipment is noticed at that address by Polish Post or a courier.

XVI. Assignment of Rights and Obligations

The assignment by the Buyer of rights and/or obligations resulting from the Sales Agreement requires, for its validity, prior written consent from the Seller.

XVII. Entire Agreement

The Sales Agreement, along with the Conditions and attachments to the Conditions, will constitute the entire agreement between the parties and will replace all previous agreements, obligations, contracts, or statements of any kind, whether written or oral, between the parties on its subject matter.

XVIII. Governing Law and Dispute Resolution

1. In matters not regulated by the provisions of the Conditions, the applicable provisions of Polish law, particularly the Civil Code, shall apply. Any disputes will be resolved amicably, and in case of no agreement, they will be settled by the competent court of the Seller.
2. The parties exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, done at Vienna on April 11, 1980, to Sales Agreement.
3. Failure or delay in exercising any of the rights, powers, or privileges under this document shall not constitute a waiver of those rights, nor shall any single or partial exercise of those rights preclude any other or further exercise of them or the exercise of any other rights, powers, or privileges.

XIX. Amendment of Conditions

1. The Seller may amend the Conditions at any time. The Seller is obliged to inform the Buyer of any changes to the Conditions.
2. An amendment to the Conditions during the performance of the Sales Agreement cannot create or change the obligations of the Buyer unless the Parties enter into a separate agreement. The amended Conditions shall apply to Sales Agreements concluded after the Conditions come into effect.

XX. Effective Date of Conditions

1. These General Terms of Sale constitute an integral part of the Sales Agreement.
2. By entering into the Sales Agreement, the Buyer confirms and accepts the application of these Conditions.

XXI. Termination

1. Without limiting other rights or remedies, either Party may terminate the Sales Agreement with immediate effect by giving written notice to the other Party if:
 - a) the other Party commits a material breach of any of the provisions of the Sales Agreement or the Conditions and, if the breach is capable of remedy, fails to remedy that breach within 7 days of the date of written notification to the other Party or
 - b) the other Party takes any steps or actions related to the commencement of repair proceedings, liquidation, proceedings or arrangement with creditors, liquidation proceedings, appointment of a receiver in respect of any of its assets or ceases to conduct business.
2. Termination or expiration of the Agreement shall not affect the rights and remedies of the Parties existing at the date of termination, including the right to claim damages for breach of the Sales Agreement and/or Conditions that existed at the date of termination or before.
3. Any provision of the Sales Agreement that expressly or impliedly is intended to come into or continue in force on or after termination or expiration of the Sales Agreement shall remain in full force and effect, unless otherwise agreed by the Parties.

XXII. Appendices

The Appendices to the Conditions are:

1. Appendix No. 1 - Template of the WZ document
 2. Appendix No. 2 - Template of the complaint form
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