

**GENERAL TERMS OF PURCHASE****§ 1 DEFINITIONS**

1. The terms "GTP" (General Terms of Purchase), "Terms", "the present Terms", "hereby", "below", "above" and the other used in a similar context refer to the present General Terms of Purchase.
2. The term "Product" refers to all products, goods, equipment, machines, raw materials and other objects purchased by the Buyer.
3. The term "Buyer" refers to SECO/WARWICK S.A.
4. The term "Supplier" refers to a natural person or a legal entity concluding a contract with the Buyer under the present GTP.
5. The term "Party" or "Parties" refers to either of the two Parties: the Buyer or the Supplier, or jointly to both parties.

**§ 2 GENERAL PROVISIONS**

1. Purchasing any products, goods, equipment, machines, tools, raw materials or any other materials and services by SECO/WARWICK S.A. may only take place in accordance with the present GTP. GTP can be modified, amended, or some of the terms therein waived by the Buyer in the orders or attachments to orders sent by him to the Suppliers.
2. Any waiver of any provision in the present GTP by the Supplier shall always be subject to a written consent of the Buyer under the pain of invalidity.
3. Waiver by the Buyer of strictly defined terms of purchase under specific circumstances shall be binding only and exclusively with respect to a particular order and under no circumstances can the Supplier regard it as made in relation to the subsequent orders placed by the Buyer.
4. Should the Supplier disagree with GTP he shall be obliged to notify the Buyer about it promptly in writing before completing the order, but not later than three days of the order receipt. In such a case the Buyer shall have the right to withdraw the order, however the Supplier shall have no right to compensation claims whatsoever. If such a notification is not submitted by the Supplier to the Buyer in writing in due time, the order is deemed to be accepted according to the provisions stated in GTP.
5. In the case of any discrepancies between the Buyer's GTP and the Supplier's General Terms of Sales, the provisions defined in the Buyer's General Terms of Purchase shall prevail.

**§ 3 TERMS OF CONCLUDING THE SALES CONTRACT**

1. The sales contract resulting from the Buyer's order shall be concluded at the time the Buyer receives a confirmation of the order. The Supplier acting through his authorized agents shall confirm the order upon terms and conditions stipulated in the order as well as in the present GTP.
2. The Buyer's order can be confirmed by the Supplier only and exclusively in writing, including fax or e-mail.
3. If the Buyer has already concluded a framework for delivery or products or services agreement with the Supplier, it is possible to attach the present GTP to such a contract which will cause that it will not be necessary to hand over the provisions herein each time the Buyer places orders with the Supplier. In such cases, the Buyer shall refer in his orders to the provisions in GTP he has previously furnished to the Supplier.
4. The fact that the Supplier proceeds to fulfill the order placed by the Buyer means that he has fully accepted the GTP.

**§ 4 PRICE AND TERMS OF PAYMENT**

1. The prices fixed in the Buyer's order accepted by the Supplier shall be binding in mutual settlement of accounts between the Parties hereto.
2. Each of the Supplier's invoices must refer to the prices which are the same as the prices agreed upon with the Buyer. Invoices including prices fixed otherwise shall not be accepted by the Buyer.
3. Any possible advance payments made by the Buyer to the Supplier shall be paid on account of the net price of the products supplied or services rendered.
4. All the details indicated in the order, which make it possible to identify and control deliveries, should be clearly stated in the invoice. It is obligatory to send invoices to the address shown on the front page of the order.

5. Payments due for deliveries shall be made by a transfer between the relevant banks until the date previously agreed upon with a particular contracting party, provided that the payments shall be made by the Buyer on Tuesdays only. In the case when a payment date agreed with a contracting party is due on a weekday other than Tuesday, the payment date is automatically prolonged till the first Tuesday after the payment date agreed with the contracting party and the Buyer shall be entitled to make a due payment on the first Tuesday after that date without any negative consequences resulting therefrom. The Supplier waives in advance any claims resulting therefrom, including any penalties or compensations for delayed payment, and admits that the payment was made in time.
6. The payment date for deliveries shall be considered to be the date of charging the Buyer's bank account.
7. All the Supplier's invoices should include the necessary information required by the VAT regulations. Furthermore, they must be issued in two copies, include the number and date of the Buyer's order as well as the date of the product's shipment.
8. The Buyer shall be entitled to calculate penalties of 0,5% of the contract value for each day of a delay in delivery of the subject of the order/contract by the Supplier. In the event that the value of the damage/loss exceeds the value of the penalty fixed, the Buyer shall have the right to claim the full value of the damage/loss including the lost profit on general terms.

**§ 5 DELIVERIES**

1. The ordered goods must be delivered following the method complying with specific terms defined in the Buyer's order, they must be free from apparent and hidden defects and be attached with a relevant delivery document. Such a document should include a complete number and date of the Buyer's order as well as define the range and quantity of the delivered products. A copy of this document should be handed over to the Buyer and its receipt acknowledged.
2. The goods ordered must be delivered together with a manual instruction in a language indicated by the Buyer and in each case in Polish.
3. Contractual dates.
  - a. Delivery dates or dates of service completion subject to the Buyer's order shall be absolutely binding. These dates mean:
    - with respect to the products, the date when they are received by the Buyer in the place indicated in the order,
    - with respect to the products and services the deliveries and completion of which is conducted in stages, the delivery and service completion dates are in compliance with the dates stated in the order and refer to completion of particular stages of the order.
  - b. If the Supplier is in delay in delivering products or rendering services ordered, the Buyer shall have the right to withdraw from the contract and the Supplier waives the right to claim a compensation whatsoever. Such a decision shall be furnished to the Supplier by the Buyer in writing and shall have an immediate effect, without prejudice to the Buyer's rights to impose penalties according to paragraph 4, item 8 of GTP.
  - c. A possible product delivery before the fixed deadline can be executed upon the Buyer's consent only, provided that payment for such a delivery shall be made on the day it becomes due as it is indicated in the order.
4. Transfer of the product title and the product related risk onto the Buyer shall be made upon acceptance of the goods which shall be done following the procedure below.

**§ 6 THE SUPPLIER'S LIABILITY FOR THE PRODUCT**

1. In their mutual contacts and business relations the Buyer shall regard the Supplier as a specialist unit, fully prepared for fulfillment of tasks and achievement of goals set forth herein. Acting in this capacity the Supplier shall be liable towards the Buyer for any defects, including hidden ones, of the products delivered or services rendered.
2. Any technical, structural or technological specifications as well as plans and designs furnished to the Supplier by the Buyer in order to perform the order, can be used by him only and exclusively for this specific purpose and he shall not be authorized to disclose them,

publish or hand over to any other third party without a prior consent of the Buyer.

3. The Supplier hereby declares and guarantees that the products sold to the Buyer are new, made with diligent care, checked and manufactured in a way ensuring their suitability for the purpose and according to the terms and conditions specified in the Buyer's order.
4. The Supplier acknowledges that the products meet the safety requirements set by the Buyer, comply with any specifications and norms defined in the Buyer's order.
5. If it has not been stipulated otherwise herein, the Supplier shall be responsible for compensation of any damages incurred by the Buyer which resulted directly or indirectly from delivering defective goods due to violation of safety regulations or due to any other events brought about by violation of applicable regulations.
6. The Supplier shall be liable to the extent defined by the law for any remedies applied by the Buyer in order to avoid damages (for example, withdrawal from the market).
7. In performing provisions stipulated in the contract the Supplier shall be obliged to obey relevant official and legal regulations. The Supplier has to comply with health and safety at work regulations. The Supplier shall provide any safety measures required by applicable regulations which shall be included in the agreed price. If the Supplier has any doubts about the type of the performance required by the Buyer he should notify the Buyer about it in writing.

#### § 7 ACCEPTANCE OF GOODS AND GUARANTEE

1. The Buyer shall have the right to make the quality and quantity control of the goods delivered, as well as accept them or refuse to accept them without any delay. The Buyer shall notify the Supplier as soon as possible about the fact of his refusal to accept the goods stating the reasons.

In case of the entire product's defect or its part, the Buyer may, at its discretion:

- a) request the Supplier to collect all or a part of a delivery from the Buyer and to replace it with Products free from any defects within the prescribed period, or,
  - b) withdraw from the concluded contract in whole or in part by notifying the Supplier and shall not be obliged to call the Supplier to fulfill his obligations, within 3 months of receipt of the Product.
2. The Supplier shall have 3 days upon being notified about the Buyer's refusal to accept the goods for making a reply to the Buyer's decision. The returned Products shall be collected by the Supplier within 8 days following the day on which they were refused by the Buyer, from the Buyer's headquarters, unless the Buyer indicates other location. The Supplier shall bear all related costs, in particular the costs of collection of the returned Products and costs of delivery of the Products free from defects.
  3. The Supplier gives 24 months' guarantee for the goods delivered upon acceptance of the goods or equipment by the Buyer without any objections, unless the parties hereto have agreed otherwise.
  4. The Supplier agrees to transfer the guarantee onto a third party who is a receiver of the goods or equipment manufactured by the Buyer, in which the goods - the equipment or services rendered by the Supplier are included.

#### § 8 MISCELLANEOUS

1. The Supplier shall deliver to the Buyer at his own expense, all certificates, permissions, attestations or licenses related to or necessary for the subject of the purchase which are required by the present contract or incurred as a result of its performance.
2. In case of the goods' damage or loss – an equipment provided by the Buyer to the Supplier for the purpose of manufacturing the goods and equipment or for rendering services, the Supplier shall pay the amount equal to the value of the damaged or lost product or equipment and shall cover all the resulting losses or lost profits.

#### § 9 PROTECTION OF PROPERTY

The Supplier shall ensure and guarantee that using of the products delivered by him shall not infringe any patents, trademarks, reserved utility designs, Polish or international symbols or any other rights subject to industrial or intellectual property rights, and furthermore, he undertakes to remedy all the damages incurred by the Buyer as a result of infringement of such rights.

#### § 10 CANCELLATION OF ORDERS

The Buyer shall have the right to cancel an order already placed or to withdraw from the concluded contract in part or in whole within 3 months of receipt of the Product, by notifying the Supplier and shall not be obliged to call the Supplier additionally to fulfill his obligations hereunder in the following events:

- a. If the Supplier has declared his bankruptcy, liquidation or stopped running his business activity.
- b. The Supplier has divided his business, merged it with other business or sold it out.
- c. The Supplier has not carried out any of his obligations subject to specific terms and conditions defined in an order or GTP.

#### § 11 INSURANCES

The Supplier shall be obliged to conclude an insurance contract for the goods to be delivered with the insurance amount equal to the value of the order's subject and providing insurance against any risk and liabilities concerning orders performed by the Buyer. The Supplier shall be obliged to conclude an insurance contract for the period of the goods' transport to the Buyer at the insurance amount covering the value of the subject of the order, unless, according to the conditions established by the Parties, the Buyer is liable for the transport of the goods.

The Supplier is obliged to conclude a civil liability insurance contract covering its activity related to the subject of the order.

The Supplier agrees to maintain insurance covering the above mentioned range during the performance of the contract and during the guarantee and warranty period.

At the request of the Buyer the Supplier is obliged to submit a copy of the required insurance contract.

#### § 12 LIABILITY OF THE BUYER

The Buyer shall not be liable for non-performance or improper performance of the obligations arising from these GTP, if it is caused by an independent cause, unless he was able to prevent it.

#### § 13 WAIVER OF ASSIGNMENTS AND DEDUCTIONS

The Supplier shall not be allowed to sell the rights and duties he is entitled to in relation to the sales of products and services upon terms and conditions subject to the Buyer's order and the present GTP without the Buyer's prior written agreement. The Supplier shall not be entitled to deduct any amounts owed by the Buyer from any other liabilities.

#### § 14 NOTICES

Any notices subject to GTP shall be made by fax or registered mail and shall be regarded as served at the time they reach the addressee.

#### § 15 SUPPLIER DECLARATION ON SUSTAINABILITY

1. Supplier is committed to act fairly and with integrity towards its stakeholders and is expected to comply with all applicable local rules and regulations.
2. It is recommended that the Supplier have an implemented environmental management system in accordance with ISO14001 certification or a similar standards, or have a plan to become certified. Alternatively, Supplier may provide other documents attesting to compliance with environmental regulations. Suppliers must comply with requirements of the respective Product Division, including banned/hazardous substances content. Excepted from this Clause are non-manufacturing suppliers e.g. software houses, consultancy firms, etc.
3. Supplier shall do all that is reasonable and practicable to:
  - a) Protect the health and safety of employees and contract labour and minimize any adverse work conditions;
  - b) Implement safe and healthful work practices to prevent injury, illness and property damage;
  - c) Minimize occupational exposures to potentially hazardous materials and unsafe work conditions by maintaining appropriate safety systems and effective controls;
  - d) Implement an emergency response program that addresses the most likely anticipated emergencies;
  - e) Train managers and employees to assure their continued commitment to their own health and safety and that of their co-workers.

- f) Involve employees at all levels in the health and safety program; assure their accountability for injury and illness prevention.
4. Supplier shall not employ children in violation of convention 138 and 182 of the International Labour Organization. In case of child labour, Supplier shall take immediate remedial action in consultation with Buyer, considering the interests of the children employed. This action will include:
- Minimally acceptable employment conditions for the children employed (such as education, working hours, wages, medical facilities etc.)
  - The obligation of the supplier not to employ any more children
  - A time period within which the supplier will comply with the mentioned ILO norms.
5. Employment should be freely chosen. Under no circumstances will Supplier make use of forced or bonded labor – such as forced labor performed by persons placed in an institution, or compulsory labor including labor as a means of political coercion or education – to design, manufacture or assemble products and services for Buyer.
6. Supplier shall recognize and respect the freedom of its employees to choose whether or not to establish or to associate with any organization of their own choosing (including labor unions) without Suppliers' prior authorization. The employment of a worker shall not be contingent upon the condition that he/she not join a union or be forced to relinquish trade union membership. Furthermore, union membership shall not be the cause for the dismissal of – or otherwise prejudice against – a worker. Supplier will not interfere with or finance labor organizations or take other actions with the intent of placing such organization under the control of Supplier.
7. Supplier shall respect – within the framework of law, regulations and prevailing labor relations and employment practices – the right of its employees to be represented by labor unions and other employee organizations. Supplier will engage in negotiations, either on its own behalf or through employers' associations, with a view toward reaching agreement on employment conditions.
8. Supplier shall treat its employees equally in employment and occupation, and will ensure that each has equal opportunities. Supplier shall offer equal pay for equal work performed at equal levels. No form of harassment or discrimination in respect of employment and occupation will be tolerated, such as discrimination based on race, color, sex, age, language, religion, political or other opinion, national or social origin, property, birth or other status.

#### **§ 16 SETTLEMENT OF DISPUTES**

- Any sales contract or legal action between the Supplier and the Buyer under the present GTP shall be subject to the Polish law.
- In the case of purchases on international scale to which the regulations of the international law are applied, the Supplier and the Buyer agree hereby to exclude the application of the above mentioned regulations to the contracts they conclude to the extent these regulations in their meaning exclude application of the present GTP or are contrary to the terms therein.
- Any disputes resulting from purchase of the goods shall be settled by competent courts under jurisdiction of the Buyer's registered office.

#### **§ 17 DECLARATION ON THE STATUS OF LARGE ENTREPRENEUR**

Based on Article 4C of the Act of 8 March 2013 on preventing excessive delays in commercial transactions, the Buyer declares that he has the status of a large entrepreneur.