

# GENERAL TERMS AND CONDITIONS OF PURCHASE

prevailing with

**Lenaal spółka z ograniczoną odpowiedzialnością sp.k.**

registered address in Radom

ul. Marii Fołtyn 4a, 26-600 Radom

dated 1 September 2023

## § 1. GENERAL PROVISIONS

1. This document (further referred to as 'the General Terms and Conditions of Purchase' or 'the GTCP') applies to contracts and agreements entered into by Lenaal spółka z ograniczoną odpowiedzialnością spółka komandytowa of Radom, ul. Marii Fołtyn 4A, 26-600 Radom, recorded with the Register of Enterprises of the National Court Register held by the District Court for Lublin East in Świdnik, 6<sup>th</sup> Business Division of the National Court Register under the KRS number 0000998011, NIP: 7962979189, REGON: 368037788 (further referred to below as '**the Company**' or '**the Client**') whose object is in particular the sale or supply to the Company of materials, raw materials, parts, prefabricated units, and products (further jointly referred to below as '**the Goods**') offered by enterprises (further referred to below as '**the Suppliers**' jointly or '**the Supplier**' separately).
2. These GTCP apply to all and any agreements between the Client and the Suppliers (regardless of how it is executed), unless it's agreed upon otherwise by force of other arrangements (executed by authorised parties in writing in order to be valid). The GTCP are integrated into any commercial offer (order) placed by the Company, unless the contents of such commercial offer (order) themselves stipulate otherwise. A commercial offer (order) subject to the GTCP includes an attachment containing the GTCP or a link to the contents of the GTCP.
3. Any general terms and conditions of agreements from the Suppliers do not apply, unless it's agreed upon otherwise by force of other arrangements (executed by authorised parties in writing in order to be valid).
4. By entering into an agreement with the Company to sell or deliver the Goods, the Supplier consents to the application of the GTCP, subject to Sections 2 and 3.
5. The GTCP are published at the Company's website: <https://lenaal.com.pl/> Any changes to the GTCP are published in the

same manner. Changed GTCP apply from a date designated by the Company or, should such designation be absent, as of the date such changed GTCP are published at the Company's website identified in the first sentence above. The GTCP are changed by a unilateral decision of the Company.

## **§ 2. ORDER PLACEMENT**

1. Orders may be placed by the Company:
  - a) in writing by way of a hand signature placed on a document including the contents of an order, or
  - b) in documentary format by e-mailing the Company the contents of an order, or
  - c) electronically by placing an electronic order provided with a qualified electronic signature and e-mailing the Company the order signed in this manner.
2. An order shall be considered effectively placed if signed (or approved as a minimum) by a party authorised to bind the Company. Beside the parties authorised to represent the Company by force of law (e.g., general partners, proxies, attorneys), orders on behalf of the Company can be placed by parties authorised by the Company as appropriate.
3. An order shall be considered accepted by the Supplier if confirmed by the Supplier within 3 working days from the date of order placement. Such a confirmation is considered effective if it's made in writing, in an e-mailed document or electronically. If the Supplier confirms an order placed by the Client, a contract is executed on the terms and conditions set out in the order placed by the Client.
4. If, in response to an order placed by the Client, the Supplier present their own order conditions that differ, in part or in full, from the order placed by the Client, the Client may at their discretion decide to begin negotiations with the Supplier or to withdraw the order they have placed without any liability to the Supplier.
5. If the Supplier accepts (confirms) an order placed by the Client, the Supplier thereby consents to the application of the GTCP to an agreement executed by accepting the order, to the exclusion of their own general terms and conditions of contracts.
6. Should the Client need to order an additional quantity of the Goods after the Supplier accepts (confirms) an order, the Client shall place an order for such additional Goods; if the Supplier accepts such added order, the

prices of additional Goods will be the same as the prices in the original order.

### **§ 3. TERMS AND CONDITIONS OF DELIVERY**

1. The object of an agreement must be carried out in conformity with the contents of an order, prevailing standards and laws.
2. The Supplier shall deliver ordered Goods to the location designated in and by dates under an order, subject to Section 7.
3. Each delivery should be provided with a set of delivery documents and a shipping list. These documents should include the order number, date of the order, as well as the specifications of the Goods shipped, quantity, details of packaging, weight, and location of delivery if indicated in the order.
4. The Client may reject a delivery if it's impossible or exceptionally difficult to assign its documents/ shipping list to an order.
5. The Supplier is liable for damages due to any losses of or damage to a delivery caused by an improper marking, packaging or identification of shipment.
6. The risk of accidental loss of or damage to Goods shall pass from the Supplier to the Client at the time of a defect-free, documented receipt of the object of delivery by the Client at an agreed-upon location.
7. The Client has the right to unilaterally postpone the date of delivery of ordered Goods in part or in full. Such a decision should be communicated to the Supplier before the start of a delivery. In the event, the Supplier agrees to store the Goods to be delivered in the Supplier's or third-party warehouses without exposing the Goods to damage until receiving consent to begin the delivery. The exercise of this right will not generate any costs to the Client for the first 30 days. After such time the parties will determine the cost of the Goods storage in the Supplier's or third-party warehouses.
8. Should the Goods fail to conform to an order in part or in full, the Client may at its discretion return the Goods to the Supplier at the latter's sole expense and risk or may notify the Supplier the Goods have been rejected and are stored at the Supplier's sole expense and risk.
9. The Supplier declare and guarantee the Goods they deliver are free from any physical or legal defects; in particular, they do not breach any third-party intellectual property rights or copyright, trademark protection rights, patents or rights arising from the registration of industrial designs/

utility models. Should any of the above declarations prove incorrect and/or unreliable, the Supplier agrees to accept the liability for damages to the Client, incur the Client's losses in full, release the Client from and accept any liability to third parties.

10. The Supplier agrees to accept the general liability for damages to the Client for failure on or an improper performance of any agreements subject to these GTCP.

11. The Supplier agrees to bind its personnel to follow the rules and regulations prevailing on the Client's premises.

#### **§ 4. DELIVERY DATES**

1. Delivery terms prevailing with the Supplier are those laid down in an order to denote the deadline of the Goods' delivery to a location identified in the order. As a rule, the Client receives the Goods from 07:00 to 15:00 hours on working days, unless another time of delivery receipt is arranged.

2. The Supplier agrees to keep the delivery dates indicated in an order. The Supplier is liable for any losses sustained by the Client as a result of a late delivery of the Goods regardless of its cause.

3. The Supplier agrees to notify each delivery 3 days in advance as a minimum. Should a delivery be made earlier than notified or an unnotified delivery be made, the Client has the right, at their discretion, to return such delivery at the Supplier's sole expense and risk or receive and store the Goods at the Supplier's sole expense and responsibility.

4. Partial deliveries will be accepted on an earlier express arrangement in writing with the Client. If the Supplier finds an arranged date of delivery can for any reason not be kept, the should promptly notify the Client in writing and indicate another date of delivery. If the Client accepts the date suggested by the Supplier or sets another date in writing, the Suppliers should effect the delivery in line with the new arrangements. Should the Client disagree, the originally arranged delivery dates apply and the Supplier is liable for compensation for late deliveries according to general principles.

#### **§ 5. PRICE, ADVANCES**

1. The prices of Goods given in an order accepted by the Supplier are binding on parties to an agreement and shall not be increased.

2. The prices of Goods given in an order cover all costs of producing a given order including the cost of delivering the Goods to a specified place of delivery.
3. If parties to an agreement agree the Client shall pay an advance towards the price, the Supplier shall provide the Client with a bank guarantee as a security of advance repayment before receiving such advance at the latest, unless the Client expressly releases the Supplier from this obligation in writing.
4. The prices of Goods will be paid by the Client if an order is performed duly and on time.

## **§ 6. INVOICES AND TERMS OF PAYMENT**

1. The Client will be provided with a correctly issued VAT invoice together with a delivery of the Goods subject to a given order.
2. The Client will pay invoices by bank transfer to the Supplier's account designated in a VAT invoice within 30 days after invoice delivery to the Client or a defect-free delivery of the Goods/ service performance, whichever is the later, provided however the payments will be effected every Wednesday following the due date of an invoice, unless it's arranged otherwise in writing.
3. The date of charging the Client's account is considered the date of payment.
4. Should an invoice not contain any information required by law or agreed-upon by parties, it may be returned to the Supplier. In the event, such invoice is considered undelivered, therefore, the term of payment does not commence.
5. The dates of any invoices that are incorrect or contain incorrect details are calculated from the delivery of correct invoices or adjustment notes to the Client.

## **§ 7. LIQUIDATED DAMAGES, WITHDRAWAL**

1. The Supplier agrees to pay the Client liquidated damages in the following cases:
  - a) if the Client withdraws from an order by the Supplier's default or the Supplier withdraws for reasons beyond the Client's control – 5% of the value of the order's object;

- b) delays on delivery dates – 0.1% of the order’s value for each week of delay,
  - c) for delays in repairing defects found when receiving the object of order or during the term of guarantee or warranty for defects – 0.1% of the order’s value for each week of delay after a date set by the Client for the repair.
2. The Client has the right to deduct liquidated damages from the Supplier’s consideration. Liquidated damages charged for various reasons may be accumulated.
  3. Liquidated damages may be charged regardless of whether a loss occurs or of its value. Such charging or payment of liquidated damages does not release the Supplier from any obligations under an agreement with the Client.
  4. If liquidated damages fail to compensate for a loss, the Client may seek supplementary damages according to general principles. A withdrawal from an order doesn’t release from the duty of payment of accrued liquidated damages for a default or faulty performance.
  5. Should the Supplier be more than 7 days late in performing the object of an order, the Client may, without relinquishing the right to charge liquidated damages and supplementary damages, exercise one or more of the following rights:
    - a) require the order to be carried out in full or in part by a date set by the Client;
    - b) purchase from another supplier at the Supplier’s sole expense and risk;
    - c) withdraw from the order by the Supplier’s default without setting another date by notifying the Supplier in writing.
  6. The Client can exercise the right to withdrawal within 60 days of an occurrence substantiating such right to withdrawal.
  7. The reservation of the contractual right to withdrawal doesn’t prevent the Client from resorting to statutory regulations of such withdrawal.
  8. A declaration of withdrawal should be executed in writing and include a statement of reasons. A declaration of withdrawal will become effective at the date it is delivered to the Supplier.

## **§ 8. GUARANTEE AND WARRANTY, RECEIPT OF THE GOODS, LIABILITY FOR THE GOODS’ DEFECTS**

1. As an order is delivered, the Supplier agrees to provide a guarantee for the Goods delivered for a term laid down in the orders, though not shorter than 2 years in line with the Civil Code regulations. The Supplier's consent to the application of the GTCP as set out in §1 Section 4 of the GTCP means the Supplier provides a minimum guarantee of 2 years for the Goods supplied. The guarantee runs from a date indicated in an order; if such date is not indicated, from the date the Client accepts the ordered Goods without any reservations. Subject to sentence 1 in fine, a guarantee is provided by the Supplier making a declaration of guarantee which sets out the Supplier's duties and the Client's rights if the Goods fail to meet the properties identified in the said declaration.
2. Regardless of its guarantee obligations, the Supplier is liable to the Client for warranty in line with the Civil Code regulations.
3. The Client notifies the Supplier of any defects of the Goods promptly on receiving the same or on discovering any defects in the term of guarantee or warranty.
4. The Supplier repairs any defects found on receipt and in the term of guarantee or warranty by dates to be set by the Client on a case-by-case basis, though not longer than 14 days.
5. The Client reserves the right to return or demand the replacement of any defective Goods at the Supplier's sole expense.
6. The Supplier will take any steps necessary to ensure the replacement or repair of any defective Goods at their own expense and with due diligence. Such repair will be confirmed with an appropriate report of defect repair to be drafted by the Client.
7. The warranty and guarantee are automatically extended with the time of repair, i.e., the time from reporting a defect to its effective repair declared in a report. If the Supplier fails to repair a reported defect by the date set by the Client, the Client may repair the defect instead of the Supplier at the latter's sole risk and expense upon notifying the Supplier in writing. The foregoing doesn't impair the Client's rights to liquidated and supplementary damages or release the Supplier from guarantee liability.
8. The Supplier guarantees the supply of Goods will not breach any third-party rights.
9. The Supplier will release the Client from any liability for third-party claims in connection with the delivery of the Goods, parts and materials

supplied under patents, licences or reserved models. Should proceedings be instigated with regard to such claims, the Supplier will directly defend the Client at their sole expense.

## **§ 9. THIRD-PARTY LIABILITY INSURANCE**

At any demand from the Client, the Supplier shall present the Client with a confirmation of a third-party liability insurance contract in place covering its business and effective at least for the time of order performance and a confirmation of the Supplier's payment for an appropriate policy.

The minimum value of such insurance is PLN 100 000.

## **§ 10. CONFIDENTIALITY**

1. Any information about the Client arising from the General Terms and Conditions of Purchase as well as individual contracts under the GTCP and any information the Supplier acquires directly or indirectly in connection with their performance (in any format, in particular, oral, written, electronic), including in particular any organisational, commercial and technical information (including but not limited to information concerning the volumes of commercial exchange, prices and discounts applied, product specifications, logistical agreements, and technological data) which is not made publicly available will be treated by the Supplier as confidential and as such won't be disclosed to any third parties. This obligation does not apply to:
  - a) situations where the Supplier's duty of providing information arises from absolutely binding law or has been imposed by force of final decisions of public administrative authorities or of effective court decrees;
  - b) publicly available information published legally and without the Supplier breaching this obligation of confidentiality before;
  - c) information known to the Supplier legally before receiving the same from the Client and without the Supplier breaching this obligation of confidentiality before.
2. The Supplier will also bind their employees and parties acting by their order or in their interest, regardless of the legal basis of such cooperation with the Supplier, to observe the confidentiality under this paragraph.



3. The Supplier declare they will not use confidential information for purposes other than order performance and will ensure a protection of this information adequate to its confidential nature.
4. This confidentiality obligation will remain in force during the time of cooperation between the Client and the Supplier and for 10 years after the production of a last order. This confidentiality obligation may be waived at the Supplier's request only by a written, express, and prior consent of the Client.
5. A breach of the provisions of this chapter by the Supplier authorises the Client to require the Supplier to pay liquidated damages of PLN 100 000 for any case of such violation. This reservation of liquidated damages does not prevent the Client from seeking supplementary damages in excess of the stipulated liquidated damages.

#### **§ 11. APPLICABLE LAW AND DISPUTE RESOLUTION**

1. The appropriate regulations of Polish law, in particular, the Civil Code shall apply to any matters not governed by the General Terms and Conditions of Purchase.
2. In case of a dispute between the Client and the Supplier concerning the execution or performance of a contract under the GTCP, the parties will take steps towards an amicable resolution of such dispute (which doesn't mean arbitration) and, if this cannot be reached, they will have the right to submit such dispute to a court materially and geographically competent for the Client's address.

#### **§ 12. ADDITIONAL PROVISIONS**

1. The Supplier should prevent any unfair and illegal actions of its workers or representatives.
2. The Supplier guarantees, assures and agrees it will not make any donation, pay any commission or any other performance to any of the Client's employees, agents, subordinates or representatives to secure orders from the Client or initiate any cooperation with the Client.
3. The Supplier guarantees and agrees, both during the cooperation with the Client and within five years after the end of a last delivery to the Client, it will not in any way hire or employ any of the Client's workers or any parties providing services to the Client by force of any civil law agreements.

4. If the Supplier or anyone acting in their name breaches any of the foregoing provisions, the Client will be entitled to withdraw from all and any orders placed with the Supplier within 60 days after becoming aware of a breach of the provisions of the current chapter without any liability to the Client and to demand that the Supplier pay a penalty of PLN \_\_\_ for each such violation. This reservation of liquidated damages does not prevent the Client from seeking supplementary damages in excess of the stipulated liquidated damages.

### **§ 13. FINAL PROVISIONS**

1. Without the prior and express consent of the Client in writing, the Supplier is not authorised to transfer any rights or obligations arising from contracts under the GTCP to any third parties.
2. In case of contradictions or divergences between the GTCP and the provisions of a separately agreed contract between the Supplier and the Client, the contents of such contract shall prevail.
3. If any provision of the GTCP proves invalid or ineffective in part or in full, this will not affect the validity or effectiveness of the remaining provisions of the GTCP. An invalid or ineffective provision of the GTCP will be replaced by the Client with a modified, lawful provision.
4. Any external occurrences independent from the parties that couldn't be anticipated or prevented with due diligence (**'the Force Majeure'**) which affect the discharge of obligations under contracts subject to the GTCP release the party affected by the Force Majeure from the duty of performing the contracts for the duration of such impediment. The Force Majeure means in particular: the action of natural forces, unpredictable and extraordinary weather conditions, strike, lockout, wars (other than those in progress at the date of contract execution), blockades, uprising, civil commotion, epidemics, earthquakes, fires, floods. The party affected by the Force Majeure should promptly notify the other party of such cases.