

## GENERAL PURCHASING CONDITIONS

### I. SCOPE OF APPLICATION

These General Purchasing Conditions (hereinafter “**GPC**”) apply to all deliveries of goods and services in favor of Hutmen sp. z o.o. with registered office in Wrocław (postcode: 53-234), address: ul. Grabiszyńska 241, entered into the register of entrepreneurs kept by the District Court for Wrocław-Fabryczna in Wrocław, 6<sup>th</sup> Commercial Division of the National Court Register under KRS number: 0000886307, REGON: 931023629, NIP: 8960000196 (hereinafter “**Hutmen**”), performed by suppliers, sellers or service providers (hereinafter “**the Provider**”) based on orders placed by Hutmen.

### II. CONCLUSION OF THE AGREEMENT

1. The Agreement is concluded by and between the Parties under the conditions described in Hutmen’s order as well as in GPC when the Provider confirms the order, with a tacit consent if the Parties remain in constant economic relations, or through actual performance of at least a part of the order.
2. The order constitutes Hutmen’s autonomous offer and comprehensively determines the conditions of the Agreement, except for the previous arrangements of the Parties. Hutmen’s order may be accepted by the Provider only without changes or objections. No other conditions or provisions communicated by the Provider shall be applicable to the orders, including in particular conditions contained in order confirmation, handover protocols, invoices or general contractual terms of the Provider.
3. If the Provider has any objections towards the conditions of the order, he should clearly refuse to approve it and indicate his objections. If the objections are recognized, they shall be introduced into new Hutmen’s order. If the Provider accepts Hutmen’s order with objection of the Provider, such objections shall not be binding on the Parties.
4. If there are any discrepancies between GPC and Hutmen’s order or the framework agreement for deliveries concluded by the Parties, the conditions of the agreement shall prevail, then order conditions and GPC.
5. The Provider accepts that GPC in the current wording provided by Hutmen shall be applicable also to all future agreements between Hutmen and the Provider regarding sales, deliveries or performance of services in favor of Hutmen, unless the Parties decide otherwise.

### III. DELIVERY CONDITIONS

1. The delivery of the goods purchased by Hutmen shall be performed to the place of destination indicated in the order, as determined by DDP Incoterms 2020 clause.
2. The services shall be performed in Hutmen plant, address: Grabiszyńska 241, Wrocław, or in a different place indicated in the order.
3. The deliveries shall be performed in dates indicated in the order or, if the dates are not indicated, within a deadline agreed between the Parties.
4. If keeping the deadline for performance of the order is not possible due to reasons attributable to the Provider, the Provider is responsible to perform the agreement at his own

cost by the swiftest means available, this includes delivery with an express shipment or transport by air, or subcontracting the delivery.

5. The Provider is obliged to immediately inform Hutmen about any delays in the performance of the agreement or any risk to the final deadline.
6. The Provider shall pack the goods in accordance with Hutmen's instructions, and if there are none, in a manner ensuring integrity of the goods during the transport.
7. The services shall be performed with utmost professional diligence, best standards and knowledge applicable to the given type of service.
8. Receipt of the goods or services as well as payment for them do not constitute a confirmation regarding the quality and quantity of the product and its compliance with the order.
9. Hutmen is entitled to withdraw from the orders without any consequences, to the extent in which the agreement has not been performed, in case of a delay in the performance of its part or the entire agreement exceeding 7 calendar days, as well as in case of finding significant defects in part of the already performed subject of the agreement.

#### **IV. PAYMENT CONDITIONS**

1. Sales price/remuneration determined in Hutmen's order is fixed, flat-rate and covers in particular a) the Provider's remuneration on account of the sales of the goods or services performance, b) possible assembly, installation etc., if indicated in the order, c) package costs, d) goods insurance costs during the transport, e) costs of delivery and collection of the subject of the agreement, f) all costs of transport, delivering materials, tools etc., g) costs of securing and marking the place of the performance, j) restoring Hutmen's possessions and property changed during the performance to their original state, k) any taxes and other fees relating to the subject of the agreement, its sales and delivery, excluding tax obligations incumbent on Hutment pursuant to the generally applicable provisions of law.
2. Unless it is agreed otherwise, the prices/remuneration indicated in the orders are net prices and shall be increased by applicable VAT.
3. Payment of the price/remuneration of the Provider shall be made with a bank transfer to the Provider's bank account within 30 days from the performance of the Agreement in accordance with Hutmen's order; the payment shall be made based on a VAT invoice correctly issued by the Provider and delivered to Hutmen.
4. If the Parties agree an earlier payment term, Hutmen reserves the right to withhold the payment until the Provider performs the agreement correctly and entirely, in case the Provider is in delay with the performance, in case of a justified suspicion that the agreement will not be performed on time, if the Provider causes any damage to Hutmen or Hutmen has any claims against the Provider on account of improper performance of the agreement.
5. The Provider shall indicate on his VAT invoices Hutmen's order number.

## V. GUARANTEE AND WARRANTY

1. The Provider guarantees that the provided subject of the agreement will be free of any physical or legal defects and compliant with the order, that it will be performed with the best quality standards in compliance with the applicable provisions of law as well as the best technical knowledge.
2. If any defects are found during the receipt of the subject of the agreement, Hutmen has the right to refuse to accept the entire subject of the agreement or its part, and to cancel the order.
3. The Provider grants a 24-month guarantee period for the subject of the agreement, counting from the date of the agreement performance.
4. If any defect is discovered during the guarantee period, Hutmen is entitled at its choiceto:
  - a. return the defective goods at the expense and risk of the Provider; in this case the Provider, within 7 calendar days from being noticed by Hutmen about the return, is obliged to collect the goods from Hutmen and to repay the entire sales price of the defective goods. If the defective goods are not collected in the applicable deadline, Hutmen has the right, at its own choice and at Provider's cost and risk, to send the goods back to the Provider, to store them, or to destroy or resell them.
  - b. reduce the price of the of the subject of the agreement, and in this case the Provider shall return the part of the sales price exceeding the actual value of the defective goods,
  - c. request removal of the defect, and in this case the Provider shall, at his own cost and risk, remove the defects in the subject of the agreement within 7 calendar days from being requested by Hutmen to remove the defects.
5. If a defective product was used in the production process of Hutmen or its customers who purchased the subject of the agreement or a product manufactured using the subject of the agreement, the Provider shall redress the damage, as well as repay the price/remuneration for the defective subject of the agreement. The damage caused as a result of using the defective subject of the Agreement includes in particular:
  - a. value of raw materials lost during the production using the defective subject of the agreement,
  - b. costs of disposal of any defective product manufactured using the defective subject of the agreement as well as any waste from the production process,
  - c. production costs of a product using the defective subject of the agreement, including employee costs, costs of electricity or other resources used during the production process, costs of liquids and consumables used during the production etc.
  - d. costs of restoring the correct production process, including costs of stopping machines and devices and their restart and cleaning, removing defective products, goods and other raw materials from the machine, removing any damage to the machines and devices caused as a result of using the defective

subject of the agreement, costs of replacing elements of the machines and devices damaged as a result of using the defective subject of the agreement,

- e. lost benefits, including the commercial value of the non-defective products that could have been produced by Hutmen with use of the defective subject of the Agreement and during the restoring of the correct production process, minus production costs that have been saved.
6. If the Provider does not perform his obligations on account of the guarantee or warranty, Hutmen, within 7 days from noticing the Provider, may remove the defects in the subject of the agreement at the expense and risk of the Provider.
7. The guarantee provisions do not restrict Hutmen's rights resulting from the generally applicable provisions, including those relating to the warranty and the Provider's responsibility.

## **VI. CONTRACTUAL PENALTIES**

1. In case of a delay in the performance of the orders or the Provider's obligations in terms of the warranty or guarantee, Hutmen is entitled to charge the contractual penalty in the amount of 0.5% of order gross value for each day of the delay.
2. If any order is cancelled due to the Provider's fault, Hutmen is entitled to charge the contractual penalty in the amount of 20% of order gross value.
3. Hutmen reserves the right to claim compensation on general basis, in the amounts exceeding the contractual penalty.

## **VII. FORCE MAJEURE**

1. None of the Parties is responsible for any delay in the performance of the orders as a result of the force majeure. The Party in delay, however, shall endeavor to reduce the delay time.
2. In case of the force majeure, the Provider shall immediately inform Hutmen about such occurrence and shall determine the expected delay time.
3. Hutmen reserves the right to cancel an order in case its performance becomes impossible or does not create any benefits for Hutmen due to the expected or actual delay, or any other results of the force majeure.

## **VIII. CONFIDENTIALITY**

1. The Parties are mutually obliged to keep confidential all information and documents received from the other Party in connection with the performance of the orders. Any such documents and information shall be understood as a trade secret within the meaning of Art. 11 of the Act of 16 April 1993 on combating unfair competition (Dz.U. No.47, item 211, as amended).
2. The subject of the agreement, technical specifications and commercial conditions of the orders shall be in particular understood by the Parties as confidential information.
3. The provisions of this article do not restrict the Provider's rights in terms of information publicly available during its disclosure or information received by the Provider from another party.

## **IX. INSURANCES**

1. The Provider is obliged to maintain civil liability insurance in terms of the pursued business activity, including liability for defects of the subject of the agreement ordered by Hutmen, in the insurance value of PLN 300,000, however not lower than the value of the order.
2. Upon each request of Hutmen the Provider shall present a copy of the currently maintained insurance policy mentioned above. If such copy is not provided, Hutmen has the right to cancel all orders not performed as at the day of the cancelling, without any consequences.

## **X. OHS AND FIRE PROTECTION REGULATIONS**

Within Hutmen's plant the Provider is obliged to comply with all applicable fire protection and OHS regulations resulting from the generally applicable provisions of law and internal regulations of Hutmen. Basic fire protection and OHS rules of Hutmen constitute an appendix and an integral part of GPC.

## **XI. FINAL PROVISIONS**

1. Invalidity of a part or an entire provision of an order or GPC does not impact the validity of the remaining provisions or any agreement resulting from them.
2. The Provider is not entitled to transfer any rights or obligations resulting from the orders without Hutmen's prior written consent.
3. Polish substantive and procedural law shall be applicable to the orders.
4. Any disputes resulting from the orders shall be settled by the Court competent for the seat of Hutmen.
5. In case of any discrepancies between Polish and English version of an order or GPC, the Polish version shall prevail.
6. Following the end of the United Kingdom of Great Britain and Northern Ireland's membership of the European Union ("Brexit"), the rules for the provision of services and goods between the above territories may change. In particular, additional formal and legal obligations may arise, as well as fees, taxes or other related costs, such as customs duties, other customs duties, clearance costs, legalization costs, additional tax charges, transport costs, etc. In such a case, we may increase the total selling price stated in the offer/order by the equivalent of these costs. The purchaser may also be subject to additional obligations relating to the organization of transport. This may also result in delays in the transport of goods that are beyond our control and responsibility.