

## General Conditions of Contracts

### BOLARUS S.A. with its principal office in Bochnia

#### 1. General provisions

- 1.1. General Conditions of Contracts (hereinafter: "**GCC**") specify the rights and obligations of the parties to the contracts for the sale or delivery of goods and services (hereinafter: "**Contract**"), that BOLARUS S.A. with its principal office in Bochnia concludes as a seller or supplier (address: ul. Wiśnicka 12, 32-700 Bochnia), entered into the register of entrepreneurs of the National Court Register kept by the District Court for Krakow - Śródmieście, 12th Commercial Division of Krajowy Rejestr Sądowy under the KRS number 0000130684, having the REGON number: 850017324, having the VAT number: 8680000350, the share capital in the amount of PLN 1,502,877.50 paid in full, (hereinafter: „**the Seller**”).
- 1.2. The General Terms and Conditions of Contracts apply to Contracts concluded with entrepreneurs within the meaning of the Civil Code (hereinafter referred to as: „the Buyer”), i.e. natural persons, legal persons or organizational units conducting business or professional activity on their own behalf. The General Terms and Conditions of Contracts also apply to Contracts concluded with persons and entities not conducting business activity, and in the case of natural persons who do not conduct business activity, the Terms and Conditions apply taking into account the mandatory provisions on consumer protection, including the Civil Code and the Act of May 30, 2014 on consumer rights (consolidated text, Journal of Laws of 2020, item 287 as amended),. The Seller and the Buyer shall be jointly referred to as: "the Parties". The Subject of the Contract shall be referred to as: "the Goods".
- 1.3. The GCC constitute an integral part of all Contracts the Seller entered into as a seller or supplier, whereby, if the Parties are bound by a separate, written Agreement, that Agreement shall prevail over the GCC and any provisions of the GCC shall apply to the extent not regulated by that Agreement. The Parties may waiver from the provisions contained in the GCC by way of a joint decision in the form a Agreement concluded in writing under the pain of nullity.
- 1.4. The Buyer shall be obliged to consult the GCC prior to signing the Contract (if concluded in written form) or prior to ordering. The GCC shall constitute an appendix to the Contract, if it is concluded in writing, and are available at the website: [www.bolarus.com.pl](http://www.bolarus.com.pl) and at the Seller address given in point 1.1. GCC.
- 1.5. The GCC shall equally apply to the Contracts concluded in the form other than written.
- 1.6. The Seller may make the conclusion of Contract dependent on the written acceptance of the GCC by the Buyer by submitting an appropriate declaration in any form. The GCC are also deemed accepted by the Buyer if, after their transfer or indication by the Seller, the Buyer, directly or through implied actions, has confirmed the will to perform the Contract with the Seller.
- 1.7. When the parties remain in regular economic relations (in particular when they are bound by a cooperation framework agreement), a single acceptance of the GCC has an effect on all Contracts concluded later until a written agreement concluded by the Parties precluding the GCC from being applied between the Parties For the avoidance of doubt, if the Parties are bound by a cooperation framework agreement, the GCC shall also apply to Contracts concluded after the expiration or termination of the cooperation framework agreement, until there is a written agreement excluding the application of the GCC between the Parties.

- 1.8. When the GCC refers to "business days" it should be understood as each day except public holidays and Saturdays.

## **2. Prices and promotional materials**

- 2.1. Offers, advertising and other announcements of Goods in The Seller's trade offer are for information purposes only and do not constitute an offer within the meaning of the Civil Code. Patterns or samples coming from the Seller are purely illustrative materials, and thus they may not form the basis for any claim for the Buyer.
- 2.2. The prices specified in the price lists derived by the Seller are binding only until a new price list is issued. The prices specified in the price lists are net prices. VAT should be added to each price and should be added according to the rate applicable on the day of order confirmation by the Seller.
- 2.3. The Seller reserves the right to change the price if, in the period between the date of order confirmation and the date of delivery of the Goods agreed by the Parties, there has been a change in the price of raw materials or components used in production and / or production costs (e.g. labor costs). In this case, the Seller undertakes to provide the Buyer with information about the change in the price of the Goods not less than two weeks before the date of delivery of the Goods specified in the Contract or separately by the Parties. In the event of a price change to a higher one, the Buyer has the right to withdraw from the order within three working days of receiving information about the increase in the new price.

## **3. Conclusion of Contract**

- 3.1. The Contract shall be concluded, subject to the following points, upon confirmation by the Seller of the implementation of this order in writing or via e-mail.
- 3.2. The Buyer may cancel the order within 1 business day of received order's confirmation in writing as described in point 3.1. After that time, the order shall be deemed to be an offer for conclusion of a Contract.
- 3.3. Regardless of the Buyer's rights, referred to in point 3.2. above, the Buyer, in the event of order cancellation, is obliged to cover the cost of the components necessary for the performance of the order by the Seller, if they have been incurred by the Seller in the amount corresponding to the prices incurred by the Seller or the costs of their production on the day of delivery to the Seller of the Buyer's statement on the cancellation of the order. The Seller may exercise the right to request the Buyer to bear the costs referred to in the preceding sentence in writing, but no later than within 14 days from the date of receipt by the Buyer of the order cancellation statement. The Seller shall attach to the declaration a list of components along with the gross price or the cost of their production.
- 3.4. The order shall be deemed valid and successfully placed, provided that the following conditions are met collectively :
  - 3.4.1. it is consistent with the order template used by the Seller or the Buyer's template containing at least: the Buyer's name (name and surname of the person), the Buyer's e-mail address, VAT company's number of the Buyer, amount and type of Goods, trade name

of the Good and unambiguous description of the parameters / configuration of the Good, payment terms, delivery / receipt conditions (including time and place) and

- 3.4.2. it was approved by a person authorized to represent the Buyer, presumed that the person placing the order on behalf of the Buyer is entitled to represent it or empowered to conclude such Contracts, (if necessary, relevant documents showing authorization e.g. power of attorney should be attached to the order, and the Seller may request submitting such documents to it at any time),
- 3.5. The Seller shall confirm the execution of the order within 3 business days, otherwise after this period it shall be assumed that the Contract was not concluded in accordance with the GCC.
- 3.6. The Seller is entitled to confirm the order in whole or only partially or subject to the amendment of the conditions of the order. In this case, the Buyer is entitled within one business day to accept proposed by the Seller reservations or amendments to the terms of the order, wherein no response of the Buyer within this period shall be deemed as their acceptance and the Contract shall be concluded to the extent specified in the order, taking into account the amendments introduced by the Seller in the order confirmation. If the Buyer within the period specified in sentence 2. above, will not agree to the reservations or amendments proposed by the Seller, the Contract is not concluded, and the Buyer may place another order to which the provisions of the point 3. of GCC shall apply.
- 3.7. If the Seller shall confirm, at least in part or subject to amendment to the conditions of this order, the implementation of the order, despite the Ordering Party's non-fulfilment of the conditions set out in section 3.4, it shall be assumed that the order is valid and successfully placed. Point 3.6. shall apply accordingly.

#### **4. Payment terms and conditions**

- 4.1. The Buyer shall be obliged to pay the price on the date indicated in the Contract concluded in writing under pain of nullity or on an invoice, and if the day of payment is not specified, within seven days from the date of invoice.
- 4.2. The Seller shall issue an invoice to the Buyer on the date of receipt of the Goods by the Buyer or by another person authorised by the Buyer or any other date indicated by the Seller in accordance with generally applicable laws.4.3. The payment shall be made to the bank account of the Seller as indicated on each invoice.
- 4.4. The date when the whole price of the Goods is received in the proper bank account of the Seller shall be deemed as the day of payment.
- 4.5. In case of a delay in payment, the Buyer shall pay the maximum interests applicable on the day of payment on the basis of generally applicable laws.
- 4.6. The right specified in point 4.5. above, does not deprive the Seller of the right to demand damages in excess of the maximum amount of interest from the Buyer.
- 4.7. In case of delay in payment, the Seller may, at its own discretion, include the amounts paid by the Buyer, in the first place, for interests or the principal. The Parties exclude the Buyer's right indicated in Article 451 § 1 sentence 1 of the Civil Code.

- 4.8. In case of a delay in payment even one invoice, the Seller shall be entitled to suspend the execution of all the Contracts or only certain Contracts or even only one Contract not yet executed until full payment for the Goods, including interests, is made by the Buyer.
- 4.9. The Buyer shall not be entitled to make deductions or assign receivables, except with the valid consent of the Seller in writing, otherwise null and void.
- 4.10. Filing any complaint or raising any objections to the Contract or the GCC by the Buyer does not entitle the Buyer to withhold payment.

## **5. Contract Performance Security**

- 5.1. The Seller may make the conclusion of the Contract dependent on the Buyer paying a certain amount in advance for the Goods constituting the subject of the order or the prior payment of the whole amount due for the price of the Goods.
- 5.2. If the Seller has reasonable doubts as to the Buyer's ability to make a timely payment of the full price for the ordered Goods between the conclusion of the Contract and the delivery of the Goods, the Seller may make the delivery of the Goods dependent on the payment by the Buyer of whole or part of the price for the ordered Goods prior to the agreed date of payment, and even prior to the date of the release of the Goods.
- 5.3. The ownership of the Goods passes to the Buyer upon full payment for the Goods in accordance with the GCC and the Contract (retention of title to the Seller). If the Buyer fails to pay for the ordered Goods within the period provided for in the GCC or the Contract, the Seller, regardless of other rights specified in the GCC or the Contract, has the right to request the Buyer to return the unpaid Goods.
- 5.4. The Seller may grant a trade loan to the Buyer at his express request under the terms specified in the written Contract or in a separate written agreement concluded by the Parties., The Seller shall determine the amount of the trade loan and the form of loan security. When considering a request for a trade loan, the Seller shall have the right to require the Buyer to provide evidence confirming its current financial situation. The procedure for the granting of the trade loan shall apply accordingly in cases when the Buyer requests an increase in the trade loan limit. In terms of the procedure for granting a trade loan, the confidentiality provisions set out in point 10. shall apply respectively.
- 5.5. The Seller shall be entitled to change the amount of the Buyer's trade loan and the term of payment for the ordered Goods based on the current analysis of the turnover with the Buyer and the course of previous cooperation, about what he should inform the Buyer within three working days from the date of taking the decision.

## **6. Delivery Terms**

- 6.1. The Goods ordered by the Buyer under the Contract may be collected only by the Buyer or a person authorized by it to collect the Goods (hereinafter: "the Collecting Party"). The authorization to collect the Goods binds the Seller until it is effectively withdrawn or cancelled by the Buyer in writing. If several persons received authorisation granted by the Buyer to collect the Goods, the Seller may, at its own discretion, release the Goods to any of them.

- 6.2. The term of delivery is binding for the Seller only if it has been confirmed in writing by the Parties. In other cases, the Seller shall endeavour to release or deliver Goods in compliance with all the legitimate interests of the Buyer.
- 6.3. The Buyer shall be obliged to collect the Goods at the place and time (date and time) established by the Contract. Otherwise, the Buyer should notify the Seller immediately, but no later than on the day preceding the date of collection of the Goods as agreed in the Contract.
- 6.4. In the situation where the Buyer did not collect the Goods on time, the Goods shall be stored by the Seller at the expense and risk of the Buyer with the due rights specified in point 9 of GCC.
- 6.5. The benefits and burdens associated with the Goods and the risk of accidental loss or damage to the Goods shall pass to the Buyer upon release of the Goods by the Seller. However, if the Buyer fails to collect the Goods on time, the benefits and burdens associated with the Goods and the risk of accidental loss or damage to the Goods pass to the Buyer at the originally agreed date, on which the product was to be collected by the Buyer. The provision contained in the preceding sentence shall be without prejudice to point 6.4.
- 6.6. The Parties agree that the Buyer is obliged to collect the Goods with his own transport unless the Parties agree otherwise in the Contract.
- 6.7. The Buyer shall provide a vehicle at the place and time (date, time) specified in the Contract, and in the event of a downtime, the cost shall be borne by the Buyer.
- 6.8. If, in accordance with the Contract, the Seller shall provide delivery of the Goods ordered, the release thereof is carried out in the indicated by the Buyer, whereby, the Buyer arranges the unloading operations at its own cost and risk. Upon the start of unloading, the risk of accidental loss or damage to the Goods passes to the Buyer. Prior to the start of unloading, the Collecting Party shall sign the relevant documents confirming the release or receipt of the Goods ( in particular: a delivery note and a bill of lading). Moreover, the Collecting Party shall be obliged to acquire a set of transport-related documents.
- 6.9. The Collecting Party shall be obliged to check the correctness of loading of the Goods and completeness of the Goods and its compliance with the Contract carefully immediately before release and determine any loss or damage of the Goods. If, in accordance with the Contract, the Seller shall provide delivery of the Goods ordered, the Collecting Party shall require the carrier to make annotations of the revealed damage on the bill lading or demand to issue a damage report under pain of losing the right by the Buyer to invoke any defects or damage to the Goods in the future.
- 6.10. If, in accordance with the Contract, the Seller shall provide delivery of the Goods ordered, the carrier shall have the right to refuse arrival at the place of unloading, if there is a risk of damage to the means of transport or the Goods, in accordance with the Contract. In such case, the carrier may demand from the Buyer a written statement about the takeover of full legal and material responsibility for possible damage to the Goods or damage to the carrier. If the Buyer refuses to make such a statement, it shall be deemed that the delivery of the Goods was carried out in accordance with the Contract to the place and on time stipulated by the Parties without defects or damage to the Goods.
- 6.11. If, in accordance with the Contract, the Seller shall provide delivery of the Goods ordered, the Buyer shall be obliged to arrange the unloading of the Goods immediately, but in no later than 2 hours of the arrival of the Goods at the place indicated in the Contract in accordance with

the Contract. If the Buyer did not conduct unloading within the above specified time, it shall bear the costs of the vehicle downtime. The Buyer may indicate the additional alternative place of unloading the Goods, wherein the additional costs of transport and the cost of unloading the Goods in an additional place shall be borne by the Buyer.

- 6.12. The Seller may include the cost of the packaging of the Goods in the price of the Goods, unless the Contract provides otherwise.
- 6.13. The Buyer shall be obliged to examine the Goods as to the compliance with the amount and type specified in the Contract or in the invoice as well as to their quality immediately upon receipt of the Goods. The control mentioned above shall take place in the presence of a representative of the Seller or carrier, otherwise the Seller's liability in this respect shall be excluded.
- 6.14. The Seller shall not be responsible for the damage in the Goods caused during unloading of the Goods.

## **7. Terms of complaints and guaranty**

- 7.1. The Seller shall not be liable under the guaranty, however, in particularly justified cases, the Seller may depart from this principle under the conditions stipulated by the Parties of the Contract.
- 7.2. The Seller shall not be liable to the Buyer or any other person, if the Buyer grants another person more extensive rights under the guaranty or warranty than those specified in the GCC.
- 7.3. The Seller may grant the warranty to the Buyer under the terms of the separate warranty card and on conditions not better than the warranty conditions provided by the manufacturer of the Good or part of the Good.

## **8. General conditions of use of the Goods**

- 8.1. The technical documentation and instructions and, in particular, the recommendations relating to the operation and end-use of the Goods are given to the Buyer in good faith, taking into account the current state of technical knowledge and the Seller experience and apply only to the Goods stored and used according to the instructions given by the Seller.
- 8.2. The Buyer or other persons shall be obliged to use the Goods in accordance with their intended use and the instructions given by the Seller.
- 8.3. If the conditions of use are changed, which may affect the actual conditions of use of the Goods, it is always necessary to consult the Seller's technical support prior to the start of the use of the Goods.
- 8.4. The Buyer or other persons shall be obliged to comply with the requirements and guidelines contained in the current technical documentation or instructions related to the Goods.
- 8.5. The Buyer's or other persons failure to comply with the provisions of point 8.1-8.4. shall exclude the Seller from liability for damages, in particular due to defects in the Goods or any damage caused by the Good, to the fullest extent permitted under generally applicable provisions of law.

## **9. Responsibility and withdrawal from execution of the contract**

- 9.1. If the Goods are not collected for reasons attributable to the Buyer, the Seller, after setting an additional 14-day period to collect the Goods, may withdraw from the Contract in whole or in part. The above does not prejudice the Seller powers are specified in point 6.4. of the GCC and points 9.3 and 9.4 below.
- 9.2. The withdrawal right referred to in point 9.1., may be executed by the Seller within 30 days from expiry of the last day of the additional time period indicated by the Seller for collecting the Goods referred to in the first sentence in point 9.1.
- 9.3. In case of the Seller withdrawal from the Contract for reasons specified in point 9.1. above, the Buyer shall pay the Seller penalty in the amount of 50% of the gross price of the Goods, in regards to which the Seller withdrew from the Contract, unless the Goods were prepared on special Buyer 's order specified in the Contract (hereinafter: "OEM"), the Buyer shall pay the Seller a penalty in the amount of 100% of the gross price of the OEM Goods. At the same time, the Seller shall be entitled to claim damages exceeding the amount of the contractual penalty reserved.
- 9.4. Regardless of the provisions of point 9.3 above, the Buyer is obliged to cover the cost of the components necessary for the performance of the order by the Seller, if they have been incurred by the Seller in the amount corresponding to the prices borne by the Seller or the costs of their production. The Seller may exercise the right to demand that the Buyer incurs the costs referred to in the preceding sentence in writing, along with the right of withdrawal described in point 9.2. not later, however, than within 14 days from the date of submitting to the Buyer a declaration of withdrawal from the Contract. The Seller shall attach to the declaration a list of components along with the gross price or the cost of their production.
- 9.5. In the event of a delay in the collection of the Goods by the Buyer, the Seller shall have the right, irrespective of other powers specified in the GCC or in the Contract, to demand from the Buyer a contractual penalty in the amount of 1% of the gross price of the uncollected Goods for each day of delay. At the same time the Seller shall be entitled to claim damages exceeding the amount of the contractual penalty reserved.
- 9.6. The Seller shall be responsible only for the damages caused by wilful misconduct of the Seller.
- 9.7. The Seller is not responsible for the breach of the terms specified by the Parties or resulting from the GCC or the Contract, including for the performance of the subject of the Contract or its delivery to the Buyer, unless it is caused by the Seller's sole fault. The provision above is without prejudice to the content of point 12.5 of the GCC. For the reasons referred to in point 9.7, in particular, delay or interruption of delivery by the third parties to the Seller of the components necessary for the performance of the subject of the Contract.
- 9.8. The Seller responsibility to the Buyer or other persons, due to any reason, shall be limited to an amount equivalent to the value of the defective Goods.
- 9.9. The Seller shall not be responsible for the use of the Goods that violates the rights of third parties in the field of intellectual property rights.

## **10. Confidentiality**

- 10.1. In respect of the confidential information transferred by the Seller to the Buyer, the Buyer shall be obliged, throughout the term of the Agreement, as well as in the period of 10 years

after its completion, to keep it confidential and to ensure its protection at the level at least equal to the level of protection of its own confidential information, not lower than justified in the circumstances.

10.2. Confidential Information shall be considered as any information made available to the Buyer by the Seller and any information obtained by the Buyer in the course of implementation of the Contract, in particular:

10.2.1. Content of the Contract,

10.2.2. Negotiations leading to the conclusion of the Agreement,

10.2.3. Economic, financial, technical and commercial information related to the Seller business,

10.2.4. Information related to the know-how of the Seller,

10.2.5. Information included in the documentation and instructions related to the Goods,

10.2.6. Technical and design-related information on the Goods,

10.3. In particular, the Buyer shall not:

10.3.1. Disclose any Confidential Information to third parties other than persons authorized by the Seller to receive such information;

10.3.2. Create any copies of the Confidential Information received from the Seller, with the exception of copies necessary for the execution of the Contract;

10.3.3. Use the Confidential Information obtained for purposes other than which serves the cooperation between the Parties;

10.4. The Buyer is obliged, at the sole cost, to ensure the proper performance of the confidentiality obligation referred to in this point, in particular by using an appropriate security system in the field of information, documents and data trading. The security system will correspond to the best industry practices and will be adapted to the nature of the Confidential Information provided and the related risks.

10.5. The Buyer represents and warrants that he will be fully liable to the Seller, as for his own act or omission, for any acts or omissions of his representatives, employees, associates, contractors, advisers, subcontractors and other entities, to whom he will provide Confidential Information taken in connection with the validity of the Agreement or the GTC.

10.6. The Buyer undertakes, at each request of the Seller or in the event of termination of the Agreement, to return to the Seller, in an appropriate manner, all the media of Confidential Information disclosed to the Buyer under the Agreement, as well as return any copies of such Confidential Information. The Buyer also undertakes not to use or process, after the Seller has submitted the above-mentioned request, such Confidential Information in any way, whether direct or indirect.

10.7. The Buyer may disclose Confidential Information only after obtaining the prior written consent of the Seller or if it results from a request of the court or other authority, provided that the obligation to disclose them results from the mandatory provisions of law. In such case the Seller shall be allowed to reasonably control the disclosure Confidential Information prior to the disclosure and submission objections to the disclosure.



10.8. In case of violation of any of the provisions of point 10.1. - 10.7 above, the Buyer shall pay a penalty in the amount of PLN the Seller a penalty in the amount of PLN 50,000.00 (fifty thousand) for each event constituting non-performance or improper implementation of the provisions on ensuring the security of confidentiality, and the Seller shall be entitled to claim damages exceeding the amount of the reserved contractual penalty.

## **11. Other provisions**

11.1. The issues of personal data protection are regulated in detail by the privacy policy located at: <https://www.bolarus.com.pl/polityka-prywatnosci.html>

11.2. The Buyer agrees to inform the Buyer about cooperation with the Seller in any form, in particular in their marketing materials, on the website or in social media.

11.3. The Subject of the Contract may include works within the meaning of copyright law. The Seller reserves that under the Contract it does not transfer to the Buyer any intellectual property rights (in particular copyrights) or grant him any consents or rights (in particular licenses) other than those expressly indicated in the Contract or those that are strictly necessary to use Goods in accordance with the Contract or their purpose.

## **12. Final Provisions**

12.1. The numbers of points referred to in the GCC without further designation correspond to the respective editorial units of the GCC.

12.2. The provisions of the GCC apply to all Contracts subject to the wording of point 1.8. of the GCC. It is not permissible for the Buyer to plead ignorance of the GCC after the signature of the Contract or in the form of a relevant statement included in the contents of the Contract or in the GCC.

12.3. The Buyer agrees to inform the Seller of any change of address, no later than on the date of such change. Any letter sent to the Buyer's address specified in the order or in the Contract as the forwarding address (or other address disclosed in an appropriate register) not timely received by the Buyer or of which the receipt was refused by the Buyer, shall be considered effectively delivered by the date, on which the Buyer was obliged to receive the letter, or on the date, on which the Buyer refused to receive the letter. If necessary, the Seller shall be entitled to deliver correspondence in another manner. The foregoing shall apply to the e-mail address in the case of the electronic correspondence and fax number to be provided in the case of the correspondence delivered by fax.

12.4. If one or more provisions of the GCC is or becomes invalid or unenforceable in whole or in part, this does not affect the validity or enforceability of the remaining provisions. A provision, which is closest to achieving the objective pursued by the GCC, shall apply in place of the invalid or unenforceable provision.

12.5. If the impossibility to perform the service by The Seller was caused by force majeure, the Buyer shall have no claim for damages for non-performance or defective performance of the Contract, as well as the performance or release of the subject of the Contract in breach of the deadlines specified by the Parties or resulting from the GCC or the Contract. The events known as the force majeure include, among others, disturbances in the functioning of the production facility not caused by the Seller, limitations in communication or in production resulting from or caused by an act issued by an authorized public authority, or caused by natural disasters, strikes, roadblocks, act of war or states of emergency.

- 12.6. The parties shall endeavour to resolve amicably any dispute arising in connection with the interpretation or implementation of the provisions of the Contract or the GCC the. In the event of inability to settle the matter amicably, the court competent for dispute resolution shall be a common court competent for the Seller address indicated in point 1.1. The provisions of this point shall not be construed as an arbitration clause.
- 12.7. The GCC and the Contract shall be subject exclusively to Polish law. Matters not covered by the Contract or the GCC shall be governed by the applicable Polish law.

Elwira Bohdanowicz  
Chief Executive Officer

Valid from 1<sup>st</sup> AUGUST 2022