



01.09.2020

GENERAL TERMS AND CONDITIONS OF SALE

These General Terms and Conditions of Sale shall apply to the sale of the Koskisen KORE products. The General Terms and Conditions of Sale may be amended only in the agreement between the Seller and the Buyer. In case of discrepancies between this General Terms and Conditions of Sale and agreement concluded between the Seller and Buyer, wording of agreement concluded shall prevail.

1. Contracting parties and the Product

In these General Terms and Conditions of Sale, 'Seller' refers to Koskisen sp. z o.o. and 'Buyer' to a company, an organization or another contracting party with whom Koskisen sp. z o.o. has entered into an agreement or to whom Koskisen sp. z o.o. has addressed its quotation. 'Product(s)' refers to Koskisen KORE products intended for sale.

2. General product information

Information presented in the Seller's brochures and other advertisements is provided for reference only and does not bind the Seller. Product details are only binding, if specifically referred to in a written agreement.

3. Quotations

The Seller's quotations are valid only for the period specified in the quotation. Where the quotation does not specify the period of validity, the quotation is valid for three (3) working days from the date of the quotation, indicated in the wording of quotation.

4. Agreement

4.1 Definition and validity of the Agreement

In these General Terms and Conditions of Sale, 'Agreement' refers to the sales contract between the Seller and the Buyer specified in this document. In quotation-based procurement, the contract arises once the Buyer has notified the Seller of acceptance of the Seller's quotation. Acceptance requires at least documental form (preferable form of an e-mail). If the procurement is based on an order placed by the Buyer, the sales contract enters into force once the Seller has sent an order confirmation to the Buyer to an address or e-mail address separately notified by the Buyer. Where the contractual intentions of the Buyer and the Seller are divergent, to avoid any misunderstanding, the sale shall be concluded, pursuant to the conditions indicated in the Seller's order confirmation, unless the Buyer immediately after receiving the Seller's order confirmation objects to the stipulations being incorporated.

4.2 Packaging

Unless otherwise agreed upon between the Parties, the Seller will deliver the products in Koskisen KORE standard packages.

4.3 Product features

The products shall fully comply with the relevant provisions of Polish law and regulatory requirements valid at the time of the delivery. Otherwise, the Seller is only liable for product features if they are specified in the Agreement or in some other written document provided by the Seller in connection with the sale in question. The Buyer is responsible for providing the Seller with accurate information about the purpose of use of the product.

5. Framework agreements

5.1 Definition

'Framework agreement' refers to agreements which fix the product prices for a specific period of time and/or preliminary delivery times of the delivery batches.

5.2 Separate deals

Where the Agreement concerns multiple agreed or possible delivery batches, each batch is considered as a separate deal. The Buyer is not entitled to cancel undelivered batches due to delays, errors or deficiencies in previous deliveries, unless the delays, errors or deficiencies can be considered to materially breach the Agreement and they are attributable to the Seller.

5.3 Delivery specifications

Unless otherwise agreed upon between the Parties, the Buyer shall specify the products to be delivered in accordance with the Framework agreement to the Seller in a notice sent by mail or email no later than eight (8) weeks prior to the preliminary or desired delivery time. This enables ensuring that products can be reserved for and delivered to the Buyer as requested. The Seller shall confirm the delivery time for each batch separately.

5.4 Price adjustments

Where raw material prices increase after the entry into force of the Framework agreement, or if the Seller's purchase, production, transport or similar costs drastically or excessively increase due to exchange rate adjustments or current market situation, the Seller is entitled to adjust its prices to match the changed circumstances. As drastically or excessively increase in the understanding of this clause is increase of min. 5 % of the net prices, which shall apply in particular to the raw material prices. The Buyer is entitled to cancel, without any penalty, the remaining deliveries that are subject to the price increase.

6. Payment

6.1 The Buyer shall pay for each delivery no later than on the due date indicated on the invoice. Each Party shall bear its own bank expenses incurred in connection with the payment.

6.2 Prior to the delivery, the Seller has the right to require an acceptable guarantee (e.g. a credit insurance, letter of credit, bank guarantee, mother company guarantee) for the delivery in question.

6.3 If a payment is delayed, the Seller is entitled to charge from the Buyer the delay interest.. Unless otherwise agreed upon, the delay interest shall be the statutory interest for late payment in commercial transactions pursuant to the provisions of Polish law.

7. Delivery

7.1 The delivery time notified is an estimate. Immediately after becoming aware of a delay, the Seller shall notify the Buyer of the delay and the reason for the delay and the estimated new delivery time.

7.2 The Seller shall make every effort to comply with the delivery time specified in the Seller's order confirmation or in quotation.

7.3 The location where the responsibility for the risk of damage to the products is transferred from the Seller to the Buyer shall be specified pursuant to the relevant term of delivery published by the International Chamber of Commerce (i.e. Incoterms).

7.4 Where the Buyer neglects to take over the products at the agreed time, the Seller is entitled, at its own discretion:

- 1) to require the Buyer to pay for the delivery of the products; or
- 2) to withdraw from the Agreement with respect to the products that the Buyer neglected to take into its possession.

In either case, the Seller is also entitled to claim for a compensation for the costs incurred to the Seller due to the Buyer's neglect.

7.5 Where the price agreed in the Agreement also covers, in full or in part, the transport costs incurred to the Seller, the Seller is entitled to choose the method of transport.

8. Title to the goods

8.1 The Seller retains the title to the products it has delivered until the Buyer has made the payments covering whole price for delivered products. The risk of accidental loss of or a damage to a thing are transferred to the Buyer at the time the thing is handed over.

8.2 The Buyer is entitled to re-sell the products in the course of its normal commercial operations, but may not pledge the products or use them as collateral. The Buyer may only sell the products in compliance with the retention of title clause. Under the clause, the Buyer agrees to transfer to the Seller any sums related to the sale of products subject to the title retention clause that the Buyer's customers owe to the Buyer.

8.3 Any processing, and possible machining, of products subject to the title retention clause that the Buyer has agreed to perform shall be carried out by the Seller. Where products subject to the title retention clause are machined or mixed or combined with products other than those of the Seller, the Seller is entitled to a share of the title of ownership of the resulting new products, determined on the basis of the difference between the value of the other products subject to the title retention clause and the value of similarly machined, mixed or combined products at the time of the processing. Where the Buyer has the exclusive title to the resultant new products, the Buyer shall transfer the exclusive title to the new products to the Seller and protect the new products on behalf of the Seller free of charge.

8.4 Where products subject to the title retention clause are sold to a third party unprocessed or after being machined or mixed or combined with products owned by the Buyer, the Buyer shall transfer all the proceeds from the re-sale to the Seller. Where the Buyer sells products subject to the title retention clause to a third party after they have been machined or mixed or combined with products not belonging to the Buyer, the Buyer shall transfer a share of the proceeds from the re-sale to the Seller, the amount of which shall be at most the value of the products subject to the title retention clause. The Buyer is entitled to collect any related receivables pursuant to the conditions applied to the transfer. This shall not affect the Seller's right to collect the receivables itself. However, the Seller commits to refrain from doing so, provided that the Buyer meets its payment and other obligations as required. The Seller may at any time require the Buyer to provide the Seller with information about any transferred receivables

and the related debtors, other necessary information about the collection of the receivables, and all the relevant documents, as well as to inform the debtors of the transfer of their receivables.

8.5 Where a third party confiscates goods subject to the title retention clause that are in the possession of the Buyer, the Buyer shall inform the competent authorities of the title retention clause and immediately notify the Seller of the confiscation. Where goods subject to the title retention clause that are in the possession of the Buyer's customers are confiscated, the Buyer shall, at its own cost and expense, take the necessary measures to have the confiscation decision annulled.

8.6 In connection with a possible suspension of payments or requesting the opening of insolvency proceedings, the Buyer shall separate the products subject to the title retention clause from the other assets and keep those products in its own possession.

8.7 The Seller is obligated to release the title to the products at the request of the Buyer, insofar as the realizable value of the title exceeds the pledged receivables by 20 percent.

9. Limitation of liability

9.1 Where products do not comply with the order, the Buyer is entitled to demand only the goods to be replaced with products of sound quality. The Seller is entitled to replace the products, provided that replacing the products can be arranged without difficulty and doesn't require excessive costs.

9.2 If the delivery of the products is incomplete, the delivery shall be supplemented by the Seller at the request of the Buyer. If the supplementation could cause a significant difficulties, the Seller is not obliged to supplement the delivery, and the Buyer can demand the adequate price reduction or Party may arrange other way to compensate the partially lack in delivery.

9.3 The Seller's liability for deficient or incomplete deliveries is limited to what is stated in sections 9.1–9.5. The Seller is not liable for any direct or indirect damage or loss resulting from deficient goods or incomplete deliveries. The Seller's total liability is limited, with respect to each sales contract, to the net sales price (exclusive of taxes and other expenses).

9.4 The Seller makes no guarantee that the goods are fit for a particular purpose, unless it provides a written declaration of the suitability.

9.5 The Seller makes no warranty or guarantee that the use, re-sale or other handling of the product does not infringe any third-party rights related to patents, trademarks, or other industrial property and the Seller is not obligated to compensate the Buyer for any damage or loss incurred due to possible infringements.

10. Complaints

10.1 The Buyer shall immediately, after it has received the goods conduct an examination of the goods delivered and notify the Seller without undue delay in documental form of any deficiencies in the products or delivery that the Buyer has observed during the reception and examination of the goods. If the Buyer neglects the obligations of examination of the goods and notifying without undue delay the Seller on deficiencies found, the Buyer loses the right to invoke the deficiency.

10.2 Where the deficiency has occurred during the transport of the goods, the issue shall be recorded in the transport document during reception of the goods and notified to the Seller in the documental form . Where the Buyer neglects these obligations, it shall lose its right to invoke the deficiency.

10.3 The Buyer shall without undue delay notify the Seller in documental form of any deficiencies in the products that could not have been observed in the examination performed in connection with the receipt of the goods and which comes to light later. However, to invoke this right, the Buyer shall be able to demonstrate the origin of the goods (e.g. with a package note).

10.4 The Buyer shall keep the goods subject to the complaint in a covered storage area after sending the complaint to the Seller to provide the Seller with a possibility to inspect the goods on-site at the Buyer's premises.

10.5 The Buyer shall send A4-sized samples of the goods subject to the complaint to the Seller by mail immediately after making the complaint. If sending the samples is not possible, for example, because the products have already been installed, the Seller shall inspect the products on-site at the Buyer's premises. The compensation shall not exceed the value of the substitute materials.

11. Product liability

The Seller is not liable for any personal injuries or damage to immovable property, products containing the sold goods or movable property resulting from product features likely to cause injuries or damage or from incorrect or lacking product details, instructions or advise, unless the injury or damage has resulted from activities of the Seller or its representative, committed intentionally or with gross negligence. The Seller is under no circumstances liable for any suspension of production, lost profit or other indirect damage. The Buyer shall commit to protect the Seller against third-party claims invoking product liability, unless it can be established that the injury or damage has resulted from activities of the Seller or its representative, committed intentionally or with gross negligence.

12. Force majeure

12.1 'Force majeure' refers to any unexpected event beyond the control of either Party, such as the activities of Polish or foreign authorities, war, labour dispute, extensive military conscription and other difficulties to secure sufficient labour forces, lack of means of transport, lack of raw materials, lack of electricity or energy, delay by a subcontractor, fire, production equipment failure or accident affecting the production facility, shipwreck, difficult ice conditions, and other events of any kind that prevent the Seller from meeting its performance obligation or the Buyer from receiving deliveries, or make it unreasonably difficult. In case of force majeure, the Seller or the Buyer is entitled to postpone the deliveries until the effects of the force majeure event are remedied. If the event of Force majeure lasts longer than two months, each Party is entitled to cancel, in full or in part, all the deliveries that are due during the period in question.

12.2 Where a delivery must be postponed due to a reason referred to above, this shall not affect the remaining deliveries, unless the Parties mutually agree otherwise.

12.3 A Party wishing to exercise its rights referred to above shall immediately notify the other Party of the matter in writing.

12.4 The Parties are not liable for any damage or loss incurred to the other Party from postponing or cancelling deliveries during the period in question.

13. Confidentiality and secrecy obligation

13.1 The Parties shall be obliged to keep confidential any information or data obtained during its term and execution of the Agreement of Framework agreement, in particular any information and/or material constituting trade, financial, technical, technological secret, operational information, the content of reports and documents provided during cooperation, disclosed in any way or any other information of a secret nature, which has been or may be transferred in whole or in part to the Party in a every way and in any form. The say information may constitute any business information regarding the financial and property condition of the company, price lists, profit rates, technical data, customer data, information on contracts concluded by the disclosing Party, trade secrets, any presentation, marketing plans, financial data, business plans or any information disclosed by the disclosing Party with regard to the cooperation of the Parties recorded in any form and on any device regardless of the form in which they were obtained (Confidential Information).

13.2 The Parties may not utilize the Agreement or the other Party in their marketing without the consent of the other Party.

13.3 The Parties commit to keep secret and confidential any Confidential Information or business secret disclosed by the other Party in the supply relationship during the supply relationship and after the relationship is dissolved, regardless of the reason of dissolving of the Agreement or Framework agreement and to use such information only for purposes required by the supply relationship.

13.4 This non-disclosure obligation, however, shall not be applied to any material or information: a) which is generally available or otherwise became public in other way than by a breach of Agreement or Framework Agreement; b) which has been lawfully received from a third party who has no obligation of confidentiality; c) which pursuant to written evidence was in possession of the Party prior to receipt of the same from disclosing Party without any obligation of confidentiality related hereto; d) which Party has developed independently without using any material and/or information received from disclosing Party.

13.5 In case of the Party's failure to comply with the stipulations set forth in this Confidentiality and secrecy obligation clause, the disclosing Party shall have the right to claim damages based on applicable laws.

14. Intellectual property rights

14.1 The Seller retains the title to all its intellectual property rights and nothing in these terms of sale will provide the Buyer with a title, license or any other right to the Seller's intellectual property rights.

14.2 With respect to products manufactured otherwise than in accordance with the Buyer's instructions, the Seller warrants that, to the best of its knowledge, the manufacturing of the products does not infringe any patents registered in the country of manufacture. The Buyer is responsible for any technical details, patents, designs, trademarks, product names or elements thereof printed on or incorporated in the products at the Buyer's request, as well as for compensating possible related damage or loss that may incur to the Seller (including reasonable legal fees).

15. Dispute settlement

Any dispute arising out of or related to the Agreement shall be finally settled by the arbitral tribunal at the Lewiatan Court of Arbitration in Warsaw in accordance with the Rules of that Court in effect on the date of commencement of the proceedings. The place of arbitration shall be Warsaw and the language of arbitration shall be English. Notwithstanding the foregoing, as long as it is permitted in accordance

with the provisions of the Polish Code of Civil Procedure, each of the Parties may pursue its claims in the proceedings by writ of payment (postępowanie nakazowe i upominawcze) before the common court.

16. Governing law

The governing law of the Agreement is Polish law.