

**GENERAL CONDITIONS OF PURCHASE**  
**valid in the company ETP ELEKTRO SP. Z.O.O.**

copyrights, on all known to the parties fields of use, in particular those indicated in art. 50 of the Law on Copyright and Related Rights.

**I. GENERAL PROVISIONS**

These General Conditions of Purchase are valid until the moment when other terms are agreed in writing between the company ETP ELEKTRO and the Supplier. The General Conditions of Purchase will apply to the purchase of materials, items, products, components, software and any related services ("Goods") offered or provided by suppliers, resulting from the mutual cooperation between ETP ELEKTRO and the Supplier.

If the General Conditions of Contracts, regulations, instructions or other contractual patterns of the Supplier in part or in full conflict with these General Conditions of Purchase by ETP ELEKTRO, then the General Conditions of Purchase by ETP ELEKTRO are binding, unless the parties have agreed in writing other solution to such conflict.

None of the terms and conditions contained in order confirmations, prior offers and other documents issued by the Supplier shall be binding for the ETP ELEKTRO, even if not explicitly rejected.

The General Conditions of Purchase may be modified, altered, or some of them excluded from use by the ETP ELEKTRO in orders or annexes to orders sent by it to the Suppliers.

Executing an order the Supplier shall assume in full the obligations arising from the General Conditions of Purchase. If the Supplier does not agree with the General Conditions of Purchase, it is obliged to immediately, before fulfilment of an order, notify the ETP ELEKTRO in writing. In this case, the ETP ELEKTRO reserves the right to withdraw the order/contract, and the Supplier shall have no claim in relation to the ETP ELEKTRO.

In addition, as indicated in the ETP Elektro Code of Conduct each supplier / subcontractor and / or partner is required to: comply with the generally applicable law in the field of environmental protection and at least meet the minimum requirements resulting from the legislation governing health and safety issues. Additionally, it is obliged to establish and apply the ISO 14001 and ISO 45001 system or its equivalents.

**II. CONFIRMATION OF AN ORDER**

Unless the Parties agree otherwise, orders must be confirmed in writing by the Supplier within two working days from the date of the order.

For written confirmation shall be deemed paper document, fax or e-mail sent by the Supplier to the ETP ELEKTRO. Signing the order means accepting these General Conditions of Purchase. No written confirmation by the Supplier at the above date will be treated by the ETP ELEKTRO as a tacit acceptance by the Supplier of the order under the conditions specified in the order and in line with the General Conditions of Contract.

**III. PRICE/RATE OF REMUNERATION**

1. In mutual settlements between the parties, prices (rates of remuneration) specified in the ETP ELEKTRO's order approved by the Supplier are treated as binding.
2. Each of the Supplier's invoices must include prices (rates of remuneration), which are identical with the prices/rates shown in the order of ETP ELEKTRO. Invoices with prices (rates of remuneration) defined in any other way will not be accepted by the ETP ELEKTRO unless it agrees in writing and forwards such consent to the Supplier as an appendix to the prior order.
3. The Supplier shall submit ETP ELEKTRO any proposals of price/rates reductions that occurred before the date of delivery of goods or completion of services.

**IV. INVOICES; TERMS OF PAYMENT**

1. Invoices are issued in the currency agreed in an order.
2. All invoices of the Supplier are required to contain the data necessary in light of the VAT regulations. Furthermore, they must be issued in 2 copies, with number and date of the ETP ELEKTRO's order. Invoices must also be accompanied by documents showing the name and address of the carrier.
3. All invoices beyond the requirements set out in items above must contain the following mandatory information:
  - number of the order;
  - country code of the manufacturer;
  - customs tariff, AL, ECCN or other additional information as agreed between the ETP ELEKTRO and the Supplier;
4. Invoices for the purchase of goods the Supplier sends to the address indicated in the ETP ELEKTRO's order or send to: [faktura.elektro@etp-group.com](mailto:faktura.elektro@etp-group.com)
5. Payment of invoices will take place in accordance with the payment terms specified in the ETP ELEKTRO's order. Payment deadline shall be counted from the date of receipt by the ETP ELEKTRO of an invoice properly issued by the Supplier.
6. If the invoice is issued improperly and/or does not contain any of the information specified in items 2 and 3 of this Section the ETP ELEKTRO has the right to withhold payments to the Supplier.
7. In case of delay in payment of an invoice the Supplier is entitled to claim statutory interest from the ETP ELEKTRO. This does not apply to situations in which the delay in payment of invoices occurred as a result of its shortcomings referred to in items 2 and 3 above.
8. The ETP ELEKTRO has the right to make deductions of its cash receivables due and uncontested towards the Supplier from the Supplier's cash receivables due and uncontested towards the ETP ELEKTRO.
9. If, as a result of the order fulfilment, economical or moral rights arise on the Supplier's side, and provided in the order fulfilment it comes to the sale of those rights, licenses or rights to copy for the ETP ELEKTRO, remuneration determined by the parties in the order shall include the total remuneration for these rights, and the Supplier transfers to the ETP ELEKTRO all

**V. DELIVERIES**

1. The ordered goods (services) should be provided (rendered) in accordance with the provisions of the special conditions laid down in the ETP ELEKTRO' order, shall be free from overt and covert defects, to meet the requirements referred to in Section VI and a delivery document must be attached to them. This document should contain a complete number and date of the ETP ELEKTRO's order, determination of the range and quantity of goods delivered.
2. Together with the goods there must be delivered the following documents (regardless of the documents for the purposes of settlement between the parties, sent by the Supplier via mail):

- delivery note with the quantity, weight, dimensions and contents of the packages,
- if applicable, complete technical documentation necessary for the proper assembly of goods at point of use and proper commissioning, operation and maintenance, containing, inter alia, construction drawings and assembly drawings together with the necessary details of the mechanical parts, control and measuring equipment, electrical system, etc.,
- material certificates, certificates of analysis, safety data sheet, reports on trials and approvals required by the legislation in force in the Republic of Poland and the European Union,
- Instructions for proper storage of goods;
- warranty cards.

3. The Supplier shall immediately notify the ETP ELEKTRO about any situation which could have an impact on the timeliness of delivery of goods or goods and services. This information, however, does not release the Supplier of the obligations specified in the order and these terms and conditions.

4. The terms of the supply of goods (rendering services) made under the ETP ELEKTRO's order are mandatory. The above terms are considered to be fulfilled if the following conditions are met:

- (a) in relation to the goods, if on the last day of the deadline the goods have been delivered by the Supplier to the place specified in the ETP ELEKTRO's order in a condition compliant with the order;
- (b) in relation to services, if on the last day of the deadline the Supplier notified the ETP ELEKTRO in writing of the completion of the service and the readiness to acceptance, and the acceptance procedure carried out following the above-mentioned notice ended with the signing of the acceptance protocol without identifying faults or defects requiring repair;
- (c) in relation to the supply of goods and services carried out in stages, the date of their execution in accordance with the dates of the various stages specified in the order. Keeping these deadlines will be assessed in accordance with the provisions of clauses (a)-(c) above.

5. In case of sending an order to a different address than the one indicated in the order, the costs associated with redirecting of shipments will be borne by the Supplier.

6. If the Supplier is in delay with the delivery of goods (performance of services), the ETP ELEKTRO is entitled to cancel the order without any compensation to the Supplier. Such a decision by the ETP ELEKTRO will be transferred to the Supplier in writing and will be effective immediately.

7. Any delivery of goods (performance of services) before the agreed date could take place only with the consent of the ETP ELEKTRO, provided that payment for such deliveries will be made in accordance with the maturity date calculated for the delivery date specified in the order.

8. An order is deemed fulfilled after positive reception of goods (services) on delivery (quantitative and qualitative) in the place of destination and with simultaneous transfer by the Supplier of documents related to the goods referred to in clause 2 of this Section or any other document specified as of their nature and timing of their delivery in an ETP ELEKTRO's order. Reception of service will be confirmed by a document in the form of acceptance protocol.

9. It does not constitute acceptance of the goods its previous use, commissioning or official receipt required by law. A Supplier's notice on execution or manufacture of goods shall not be regarded as receipt of the goods.

10. Unless the order otherwise requires, in case of imported goods, the Supplier is responsible for the admission to trading of goods within the customs territory of the European Union, in accordance with applicable regulations.

11. The Supplier agrees to comply with all regulations related to export control and customs. The Supplier agrees to deliver to the ETP ELEKTRO within 2 (two) weeks from receipt of an order, and in case of any changes - immediately, all the information necessary for the lawful implementation of the operations of export, import and re-export, in particular:

- all numbers from the lists of dual-use goods, including the Export Control Commodity Code compliant with the regulations of the Commerce Control List formulated by the Bureau of Industry and Security of US Department of Commerce,
- customs tariff codes assigned in accordance with the current version of the Combined Nomenclature, and
- country of origin (for non-preferential origin) and - at the request of ETP ELEKTRO - a declaration of preferential origin (for goods originating in the European Union) or certificate of preferential origin (for goods originating from countries outside the European Union).

12. The Supplier will pay all damages and expenses incurred by ETP ELEKTRO, resulting from, or being in connection with the failure by the Supplier of the obligations set out in clause 10 and/or 11 of this Section.

13. Resulting from these General Conditions of Purchase obligations of ETP ELEKTRO cease if their fulfilment violates national or international regulation of foreign trade and customs law, as well as the imposed embargo or other sanctions.

**VI. LIABILITY OF THE SUPPLIER**

1. The ETP ELEKTRO treats the Supplier as a professional, fully prepared to meet the objectives and tasks arising from the contract or order. Appearing in the above role, the Supplier is responsible with respect to the ETP ELEKTRO for any defects, including hidden ones, of the supplied goods or services.
2. All technical data, construction data, technology, plans and designs communicated to the Supplier by ETP ELEKTRO in order to perform the contract or order can be used by the Supplier only for this purpose and it has no right to share, publish or transfer them to any other person without the consent of the ETP ELEKTRO.
3. The Supplier represents and warrants that the goods sold to ETP ELEKTRO are new, carefully executed, tested and manufactured so that they are suitable for use in accordance with their intended purpose and conditions resulting from the ETP ELEKTRO's order.
4. The Supplier confirms that the goods meet the demanded by ETP ELEKTRO safety requirements, meet all the specifications and standards set out in the ETP ELEKTRO's order as well as they are admitted to trading on the area where they are to be used.

5. The Supplier shall be liable for non-performance or improper performance of the contract or order (service).
6. The Supplier shall be fully liable for damages arising from reasons of the qualities or characteristics of the goods, in particular, improper packaging or markings.
7. The Supplier is obliged to inform the ETP ELEKTRO about any circumstances that might make the goods supplied dangerous to life or health.
8. The Supplier agrees to indemnify ETP ELEKTRO from the obligation of any benefit to third parties for any damage to person or to environment caused by the goods or in connection with its use due to inherent defects in the goods or services performed.

## VII. INFRINGEMENT OF PATENT OR OTHER THIRD PARTY RIGHTS

1. The Supplier guarantees that there are no existing patents or other industrial property rights, copyright and other related rights and know-how of third parties that could be infringed by the ETP ELEKTRO as a result of the use or dispose of the purchased goods.
2. The Supplier hereby undertakes to release ETP ELEKTRO from liability when ETP ELEKTRO is presented any charges or claims by third parties in connection with the violation to the above rights and to pay any possible costs (including the costs for legal services) and compensation awarded to the disadvantage of the ETP ELEKTRO provided that the ETP ELEKTRO informs the Supplier of such allegations and claims resulting therefrom, and that the Supplier has the ability and the right to explain on its own expense allegations and claims and defend or control the defence against possible claims of third parties.

## VIII. GUARANTEE AND STATUTORY WARRANTY

1. The Supplier warrants that the goods supplied under the contract/order will be consistent with the order, specifications, drawings and any other requirements stated in the order and will be new, not used, of good quality, appropriate and suitable for its intended application stated in the order, correctly designed, constructed properly and with the right material, and that satisfactorily meets technical and technological requirements specified in the order.
2. The Supplier shall ensure that the goods supplied by it are free from physical and legal defects and free from deficiencies that could affect or diminish its value or the possibility of applying in the right way.
3. The ETP ELEKTRO is entitled, at its option, for an immediate claim for free exchange of subject of an order or repair (restoration to proper condition) and is entitled to compensation for expenses and losses incurred. The ETP ELEKTRO does not agree to any limitations of the above entitlement.
4. Unless stated otherwise in the order, warranty period granted by the Supplier is 24 (twenty four) months from the date of acceptance of the product at the place of supply or in case of delivery of goods and services - from the date of signing the commissioning/installation protocol of the product, or in case of services - from the date of signing of final service acceptance protocol. If the Supplier offers more than 24 (twenty four) month warranty period, the longer period is used, taking into account the provisions of these General Conditions of Purchase by ETP ELEKTRO.
5. The Supplier guarantees that the delivered goods meet the quality and safety requirements according to applicable standards. In particular, it ensures that they met the technical requirements in force in the country of production, but also the requirements of the country to which the goods are shipped. In case of a conflict of these requirements, the standards applicable in the country of destination shall prevail.
6. The Supplier's liability under the statutory warranty starts from the moment of delivery of the goods (service) to the ETP ELEKTRO and lasts as long as lasts the ETP ELEKTRO's liability to a client.
7. In case of a complaint by a client and its recognition by the ETP ELEKTRO, the Supplier shall in due time, not longer than within the term binding ETP ELEKTRO to the customer, provide at its expense, goods free of defects, and in case of a request by the ETP ELEKTRO to reduce the price or withdraw from the contract, to cover the resulting losses for ETP ELEKTRO.
8. According to the provisions of this Section, the Supplier at its own expense, including the costs of dismantling and reassembly, travel expenses and accommodation of the Supplier's specialists, is obliged to immediately repair or replace the product or its defective parts. Items that have been replaced or to be replaced by the Supplier, will be made available to the ETP ELEKTRO Ex Works ETP ELEKTRO's warehouse or at other place designated by the ETP ELEKTRO at the expense of the Supplier. For the avoidance of doubt, any merchandise with any faults, shortcomings or defects will be returned to the Supplier at its expense.
9. The ETP ELEKTRO is also entitled to carry out repair and replacement of parts on its own or with the help of another entity, if the repairs are minor or necessary in order to avoid further damage or must be carried out immediately for another important reason. The condition for the application of the provisions of the preceding sentence is the prior notification to the Supplier.
10. The Supplier's warranty for a product or a part thereof replaced in the course of repair will run from the moment of replacement. In case of repair, the warranty period of faulty or damaged item will be extended by the duration of repair.

## IX. PENALTIES

1. In case of delay in delivery of goods or goods and services or services for reasons other than Force Majeure, the ETP ELEKTRO may request from the Supplier to pay liquidated damages in the amount of 2% of the value of the delayed part of the delivery or failure to

perform services within the prescribed time for each day of delay, not more than 15% of the value of the delayed part of the delivery.

2. Where the goods or the goods and services or services delivered late are an integral part of the subject of the order, the lack of which prevents the ETP ELEKTRO to use the delivered goods, the basis for calculation of liquidated damages is the total value of the order.

3. The above contractual penalty does not exclude the ETP ELEKTRO's right to claim damages exceeding the value of the reserved contractual penalty, on general principles.

## X. FORCE MAJEURE

1. The Parties shall not bear the consequences of a partial or total failure to perform their obligations under the contract and the General Conditions of Purchase, which is caused by Force Majeure.
2. For Force Majeure shall be considered all events, which cannot be predicted at the time of acceptance of the order nor prevented, and on which neither party will have any impact, in particular: war, internal disturbances, terrorism, flood, fire, earthquake and other natural disasters.
3. The Party which is unable to meet its obligations due to Force Majeure, will be required to:
  - promptly notify the other party of this fact, no later than within 7 days from the occurrence of such an event;
  - submit credible evidence for the above.

## XI. INFORMATION SECURITY

1. The Supplier agrees that during fulfilment of an order and after its completion, it is obliged to keep in secret all confidential information and data related to the activities conducted by ETP ELEKTRO and obtained in the course of the contract, the disclosure of which could expose ETP ELEKTRO to a loss or is undesirable by ETP ELEKTRO ("trade secret"). The trade secret are in particular technical, commercial and organizational information, as well as information concerning the financial condition, planned or undertaken economic activities, contracts concluded and to be concluded, customer lists.
2. Drawings, sketches, technical information, prototypes and models transferred to the Supplier by the ETP ELEKTRO must be treated as confidential and shall be used only for the purposes of deliveries to ETP ELEKTRO and must be returned immediately on request.
3. In the event of obtaining any doubt as to the confidential nature of specific information (data), the Supplier intending to disclose it is required to obtain prior written approval of the ETP ELEKTRO to disclose such information (data).
4. In the event of failure of any of the obligations under this Section, ETP ELEKTRO reserves the right to charge a penalty in the amount of 50 000,00 PLN for every confirmed case of a breach of confidentiality. This does not exclude the possibility of seeking by the ETP ELEKTRO compensation on general principles.

## XII. FINAL PROVISIONS

1. Each order or legal action between the Supplier and the ETP ELEKTRO under these General Conditions of Purchase shall be subject to Polish law.
2. When making purchases within the international scope, to which the provisions of international law apply the ETP ELEKTRO and the Supplier agree to exclude their application to the implemented orders to the extent to which these provisions in their wording exclude the application or are in conflict with these General Conditions of Purchase.
3. If any of the clauses of these General Conditions of Purchase shall be wholly or partly invalid, this shall not affect the validity of the remaining clauses or other parts of relevant clauses.
4. Any disputes arising from the purchase of goods or services shall be settled by courts competent for the registered seat of the ETP ELEKTRO.