

1. SCOPE OF APPLICATION

- 1.1. These General Terms of Purchase (GTP) are general contractual terms within the meaning of Art. 384 of the Polish Civil Code (CC) and apply to all contracts for the Purchase of Goods, including operations related to making such contracts, including without being limited to submitting Quotes, Requests for Quote, and Orders by HSV Sp. z o.o.
- 1.2. The GTP are an integral part of contracts for the purchase of Goods by the Ordering Party and apply to both parties, unless the Parties explicitly agree otherwise, where such an explicit agreement of the Parties must be in writing or otherwise it will be null and void. These GTP exclude the application of Suppliers' general terms of sale which are contrary hereto.
- 1.3. Apart from the observance of the provisions of the GTP, the Suppliers supplying the Ordering Party with raw materials or components for manufacturing are obliged to meet the requirements included in the Quality Assurance Agreement and the Logistic Agreement, if the meeting of the requirements included in those documents was provided for by the Ordering Party at the stage of the Request for Quote. The Suppliers have the right to submit objections to the Quality Assurance Agreement and to the Logistic Specification. The version binding on both Parties is determined through cooperation.
- 1.4. Unless agreed otherwise in a specific case, the version of the GTP that is valid as at the Order placement date is applicable. The updated version of the GTP is available at all times in the electronic form on the Ordering Party's website.
- 1.5. In the event of any inconsistencies between the provisions of the contract made by the Parties in Writing or in the Electronic Form and the GTP, the provisions of the contract will prevail.

2. DEFINITIONS

The following terms are used herein:

- GTP – these general terms of purchase of goods by HSV Polska Sp. z o.o.;
- Ordering Party – HSV Polska Sp. z o.o.;
- Supplier – an entity submitting a quote in order to make a contract or to which the Ordering Party submitted a request for quote or with which the Ordering Party placed an order for the purchase of goods;
- Parties – the Ordering Party and the Supplier;
- Goods – all movable items and services, including materials, raw materials, components, and packaging;
- Purchase of Goods – sale, delivery, or a different contract under which the Ordering Party acquires the ownership title to the Goods;
- Request for Quote – an invitation to submit a quote that is sent from the Ordering Party to the Supplier, which includes at least the description of the Goods, the type of packaging, quantity, weight, loading place, delivery place, and the order completion deadline;
- Quote – a quote submitted to the Ordering Party which includes at least the details of the Supplier, the identification of the Goods, the price for the Goods or a unit price of the Goods, the order completion date, the conditions of delivery according to Incoterms 2020, all information and comments concerning the quality of the Goods, and the statement that the Supplier has read the GTP and accepts them;
- Order – an order for the Goods from the Ordering Party to the Supplier, including the description of the Goods, the type of packaging, quantity, weight, loading place or delivery place for the Goods, and the Order completion deadline;
- Written, in Writing – means a written form within the meaning of Art. 78 of the Polish Civil Code;
- Electronic Form – a submission of a statement by e-mail;
- Force Majeure – an external and sudden event, impossible to predict, independent from the Parties' intentions, and impossible to prevent, permanent or temporary, which prevents the completion of a whole Order or a part thereof. Force Majeure includes without being limited to:
 - natural disasters, including fire, earthquake, hurricane, floods, epidemics;
 - acts of state authorities, including martial law, state of emergency, blockades etc.;
 - acts of war, sabotage, terrorist acts;
 - general strikes or other social unrest, including public demonstrations, except of strikes covering the Parties' businesses only.

3. REQUESTS FOR QUOTE AND QUOTES

- 3.1. The Ordering Party draws up a Request for Quote in Writing or in the Electronic Form.
- 3.2. In the Request for Quote, the Ordering Party specifies at least the type of the Goods, the quantity of the Goods, the type of packaging, and the delivery place and date.
- 3.3. In the Request for Quote, the Ordering Party may specify special requirements which should be met by the Goods or the Supplier of the Goods and issues related to the transport of the Goods.
The meeting of the conditions of the Quality Assurance Agreement may be such a special requirement which the Ordering Party may specify for the Supplier.
- 3.4. The Ordering Party specifies a standard expiry time for the Request for Quote to be 48 hours after the submission, unless a different time for submitting a Quote is specified in the Request for Quote.
- 3.5. A Quote should be drawn up in Polish or English in the Electronic Form or in Writing and include at least the following:
 - i. details of the Supplier;
 - ii. net price for the Goods or the unit net price for the Goods;
 - iii. Order completion date;
 - iv. delivery conditions according to Incoterms 2020;
 - v. all information and comments concerning the quality of the Goods;
 - vi. a statement that the Supplier has read the GTP and accepts them;
 - vii. a declaration of readiness to sign the Quality Assurance Agreement;
 - viii. a list of inconsistencies between the contents of the Quote and the requirements specified in the Request for Quote, if the Ordering Party specified special requirements to be met by the Goods or the Supplier.
- 3.6. Unless specified otherwise in the Request for Quote, the prices listed in the Quote should include all costs related to the delivery of the Goods, including without being limited to the costs of loading, transport (if in this particular case the Supplier is responsible for transport), dispatch, packaging, and insurance of the Goods.
- 3.7. Quotes should be sent to the address specified in the Request for Quote.
- 3.8. Quotes should include the number and date of the Request for Quote and the Supplier's Quote number.
- 3.9. The Ordering Party accepts a Quote in the form of an Order. If the Ordering Party refrains from placing an Order, it is understood that the Quote has not been accepted.

4. ORDERS

- 4.1. The Ordering Party places an Order in the Electronic Form.
- 4.2. The Order should include at least the identification of the Goods, the quantity or weight of the Goods, the delivery place and date, and the net price for the Goods. If the Goods are to be transported at the Ordering Party's expense and risk, the Order will specify the place and date of loading the Goods according to the Supplier's quote.
- 4.3. The Order may include special requirements to be met by the Goods and other issues related to the transport of the Goods.
- 4.4. Unless the Parties agree otherwise, the contract is made upon the receipt by the Supplier of the Order placed by the Ordering Party. The Supplier is obliged to confirm the receipt of the Order by e-mail within 24 hours of receiving the Order. If the Supplier fails to confirm the receipt of the Order within the timeframe referred to above, the Ordering Party will recognize the Order as accepted, unless a written proposal to change the deadline, quantity, or price is sent within the timeframe referred to above.
- 4.5. **If any problems arise in the completion of the Order which may have an effect on the quality of the Goods or the delivery date, the Supplier is obliged to immediately notify the Ordering Party of the fact in the Electronic Form and specify the causes of the problems and the steps taken to remove them. Such a notification does not in any way restrict or exclude the Supplier's liability for delay, default or for a failure to complete the Order.**
- 4.6. The Supplier is bound with the delivery date for the Goods specified in the Order. It is acceptable to deliver the Goods before the specified date only with a prior consent of the Ordering Party expressed in the Electronic Form. In all other cases, the Ordering Party may refuse to accept the Goods and unload them before the date specified in the Order.
- 4.7. The Ordering Party reserves the right to modify Orders by sending the modification to its Order. Each modification of an Order is recognized as accepted by the Supplier, unless the Supplier notifies the Ordering Party accordingly by e-mail within 24 hours of receiving the modification of the Order.

5. QUALITY OF THE GOODS

- 5.1. The Supplier is obliged to check the quality of the Goods before delivering the Goods to the Ordering Party.
- 5.2. The Ordering Party is obliged to conduct the initial inspection of the Goods quality immediately after the delivery of the Goods only with regard to the following:
 - a) consistency of the quantity declared in the Goods delivery document with the Order;
 - b) visible defects and damage related to the transport of the Goods.
- 5.3. Within the scope exceeding the issues specified in Sec. 2 above, the Ordering Party will check the Goods during inspections accompanying the manufacturing process.
- 5.4. The inspection conducted according to Sec. 2 above does not exclude or restrict the Ordering Party's rights resulting from statutory or contractual guarantees.

6. DELIVERY OF THE GOODS

- 6.1. The Supplier is obliged to deliver the Goods free of physical and legal defects, consistent with the Order or the contract between the Parties, to the place specified by the Ordering Party, together with a complete documentation in Polish or English required by the legal regulations and the Ordering Party.
- 6.2. The delivery of the Goods by the Supplier to the Ordering Party is tantamount to the Supplier's assurance that the Goods have the properties required by the Ordering Party and that the Goods do not have any defects.
- 6.3. If the Ordering Party finds any defects in the Goods or inconsistencies as compared to the Order, the Ordering Party has the right to refuse to accept the Goods. The acceptance of the Goods with defects by the Ordering Party does not prejudice the rights of the Ordering Party resulting from legal regulations, the GTP, or the contract made by the Parties. In the event of a refusal to accept the Goods, the Supplier has no right to claim the payment of the price.
- 6.4. If defects or inconsistencies referred to in item 3 above are found in the Goods, the Supplier is obliged to deliver the Goods that are free of defects, their quantity or quality consistent with the Order (depending on the inconsistencies found), within the time agreed with the Ordering Party, or else the Supplier may be required to pay the contractual fines specified in item 9(1).
- 6.5. The Goods are unloaded by the Ordering Party.
- 6.6. The Supplier is obliged to issue a document accompanying the delivery of the Goods. The delivery document should include at least the following data:
 - i. address of the sender and the recipient;
 - ii. time and place of loading the Goods;
 - iii. **Order number;**
 - iv. identification of the Goods (including quantity or weight).
- 6.7. The delivery of the Goods to the Ordering Party will be confirmed in the documents accompanying the delivery.
- 6.8. All defects found by the Ordering Party during the initial inspection referred to in item 5(2) of the GTP will be identified in the documents referred to above. The acceptance date of the Goods confirmed in those documents is recognized by the Parties as the delivery date of the Goods.

7. PAYMENT CONDITIONS

- 7.1. An invoice/bill may be issued by the Supplier after the Goods have been released to the Ordering Party together with all documents related to the Goods and required by the Ordering Party, including all certificates and attestations. The basis for issuing of the invoice is each time a delivery confirmation or a bill of lading signed by representatives of the Parties.
- 7.2. The Supplier may issue an invoice for transport after the completion of an order. The invoice should be accompanied with the proof of delivering the Goods.
- 7.3. In the invoice, the Supplier is obliged to specify the Order date, the Ordering Party's Order number, the dispatch date of the Goods to the Ordering Party, and the delivery conditions.
- 7.4. The Supplier is obliged to send the invoices for the Purchase of the Goods to the Ordering Party by e-mail to faktury@hsv.pl or to the address specified in the Order within the time period required by legal regulations.
- 7.5. The payment deadline is counted from the delivery to the Ordering Party of a correctly issued original VAT invoice, on condition that all attestations and other documents required by the Ordering Party are delivered together with the invoice in the form required by the Ordering Party. If that condition is not met, the payment deadline is counted from the date of delivering the last document referred to in the preceding sentence.

- 7.6. As a rule, the Ordering Party makes payment transfers on Tuesdays and Thursdays. If, as a result, the payment deadline is not met, such an event is not a delayed payment and does not form a basis for calculation of interest for delay in commercial transactions. The date on which the Ordering Party's bank account is debited is recognized as the payment date.
- 7.7. If the Parties have agreed a payment schedule in Writing, all payments will be made in accordance with the agreed schedule.
- 7.8. A standard payment deadline is 30 days calculated from the delivery date of a correctly issued VAT invoice.
- 7.9. If the Supplier fails to perform a delivery or performs it incorrectly, the Ordering Party has the right to suspend the whole payment for the Goods or its relevant part. In such an event, the Supplier, after a correct delivery, will notify the Ordering Party that the delivery has been performed correctly and that the Goods are ready for acceptance. The payment date will be counted from the date of a correct delivery confirmed by the Ordering Party.
- 7.10. All payments made by the Ordering Party will be transferred to the Supplier's bank account specified in the invoice; the bank account specified in the invoice should be a registered bank account recorded in the "White List" of VAT payers.

8. SUPPLIER'S LIABILITY FOR DEFECTS OF THE GOODS

- 8.1. The Goods should be fit for their intended use and should meet the conditions specified in the Order, in particular with regard to the quantity, quality, and technical specification. The Supplier will be held responsible for defects of the Goods pursuant to applicable legal regulations, unless the contract between the Parties states otherwise.
- 8.2. All costs related to complaint procedures, including costs of transport, removal of defects, and delivery of the Goods that are free of defects, are paid by the Supplier.
- 8.3. For any submitted complaint, the Supplier will analyse the causes of an inconsistency and will implement effective corrective actions. The analysis with the results should be delivered to the Ordering Party within 10 days of submitting a written complaint (e.g. using an 8D report).
- 8.4. The Ordering Party's rights under a statutory warranty expire after twenty-four months of delivering all Goods under an Order by the Supplier to the Ordering Party in accordance with the Order.
- 8.5. The Supplier grants the Ordering Party with a quality guarantee regarding the Goods according to the rules specified in separate documents.
- 8.6. The Supplier is responsible towards the Ordering Party for all defects of the Goods delivered by the Supplier, also when a defect of the Goods is revealed after the Goods have been processed by the Ordering Party. The Supplier is fully responsible for all damage caused to the Ordering Party by the parties used by the Supplier to perform the contract.
- 8.7. In the case of the Goods with a specific fitness for use date, the Supplier guarantees that the Ordering Party receives the Goods with at least 9-months' fitness for use period counted from the delivery acceptance date.
- 8.8. If a dispute as to the quality of the Goods is not settled by the Parties, the defective Goods will be examined by an independent laboratory at the Supplier's cost.
- 8.9. All technical, construction, and technological data as well as plans and designs provided to the Supplier by the Ordering Party for the purpose of completing an Order may be used by the Supplier only for that purpose; the Supplier is not authorised to transfer, publish, or provide them to any other party without a consent of the Ordering Party. The Supplier is fully responsible for any breach of this prohibition.
- 8.10. The Supplier is responsible towards the Ordering Party for the consistency of the delivered Goods with the safety requirements specified by the Ordering Party as well as all specifications and standards defined in the Ordering Party's Order; the Supplier guarantees that the sale of the Goods is authorised in Poland and the European Union.
- 8.11. The Supplier guarantees that the use of the Goods delivered by the Supplier is not an infringement of a patent, a trademark, a restricted design, a Polish or a foreign symbol, or any other industrial and intellectual property rights; the Supplier undertakes to repair all damage caused to the Ordering Party as a result of an infringement of such rights. The Supplier undertakes to observe all Ordering Party's industrial and intellectual property rights.

9. CONTRACTUAL PENALTIES; WITHDRAWAL OF AN ORDER; RIGHTS OF THE ORDERING PARTY

- 9.1. In the event of a non-performance or an improper performance of an Order or a contract, the Supplier will pay the following contractual fines to the Ordering Party:
- a) a contractual fine of 20% of the net Order value – in the event of a withdrawal from an Order or a contract due to circumstances on the part of the Supplier;
 - b) a contractual fine of 5% of the net Order value for each started day of delay as compared to the Goods delivery date specified in the Order.
- 9.2. The payment of a contractual penalty does not release the Supplier from the obligation of due performance of an Order or a contract between the Parties.
- 9.3. The Ordering Party reserves the right to claim supplementary compensation exceeding contractual penalties, under the general rules, in particular for damage incurred in the situation referred to in item 1(b) above.
- 9.4. The Supplier is also responsible, with no limitations, for all damage to the Ordering Party resulting from any claims of third parties towards the Ordering Party and related to improper performance or non-performance of an Order by the Supplier, including a delay in the delivery of the Goods.
- 9.5. The Supplier is not responsible for a delay in the performance of its obligations caused by Force Majeure or culpable acts or negligence of the Ordering Party.
- 9.6. With no prejudice to the provisions concerning contractual penalties, if the Supplier is in delay with the delivery of the Goods or with the removal of defects for more than 7 calendar days or in the event of improper performance of an Order or a contract consisting in other breaches, the Ordering Party may, within 7 days of demanding that the Supplier delivers the Goods or remove the defects or other violations, withdraw from the Order or the contract or entrust the performance of the Order or the contract to a third party selected by the Ordering Party, at the Supplier's expense and risk.

10. CONFIDENTIALITY

- 10.1. All information resulting directly from these General Terms of Purchase as well as all information obtained by the Supplier in relation to the completion of orders, including without being limited to all organizational, commercial, and technical information concerning the Ordering Party which has not been made public will be recognized by the Parties as confidential and will not be disclosed to third parties. This obligation does not apply to situations where the obligation to disclose information results from generally applicable legal regulations.
- 10.2. In particular, the Supplier undertakes to observe confidentiality of all information concerning the volume of the commercial exchange, the applied prices, discounts, product specifications, logistic agreements, and technological data, or else the Ordering Party will withdraw from an order for reasons on the part of the Supplier.
- 10.3. The Supplier represents that it will not use confidential information for purposes other than performance of an order and that it will ensure proper protection of such information, suitable for their confidential nature. The obligation of confidentiality will remain in effect after the completion of an order and may be rescinded only with a consent of the Ordering Party, provided in Writing or else deemed null and void.

11. FINAL PROVISIONS

- 11.1. The Parties to the Contract are not responsible for the results of Force Majeure.
- 11.2. The Supplier confirms that it has read the Code of Ethics for Business Partners applicable at the Ordering Party's, which is available at <https://www.hsv.pl/>.
- 11.3. These General Terms of Purchase, approved by the Management Board of HSV Sp. z o. o., are an integral part of an Order placed with the Supplier by the Ordering Party. In the case of any contradictions or inconsistencies, the Order prevails.
- 11.4. All changes and supplements to the General Terms of Purchase have to be made in writing or else are deemed null and void.
- 11.5. All liabilities and obligations resulting from the Order may not be a subject matter of any legal transactions without a prior written consent of the Ordering Party.
- 11.6. All disputes which may arise between the parties to the contract in relation to the completion of an Order should be settled amicably. The disputes which have not been settled amicably will be resolved by a court competent for the place where the Ordering Party's registered office is located.
- 11.7. Each party undertakes to keep all information concerning the completion of an Order confidential.
- 11.8. All other commercial conditions which are not regulated herein are governed by the Polish Civil Code and other generally applicable Polish legal regulations.