

## **GENERAL TERMS AND CONDITIONS OF PURCHASE**

### **§ 1 General Provisions.**

1. These General Terms and Conditions of Purchase set out the rules for the purchase of goods by KKM.
2. These General Terms and Conditions of Purchase, hereinafter also referred to as "GTCs", are an integral part of all contracts concluded with KKM in which KKM acts as Buyer.
3. The GTC shall be binding on KKM and the Seller unless the parties separately, expressly and in writing agree that all or certain provisions of these General Terms and Conditions of Purchase do not apply to a particular order or contract.

### **§ 2 Request for Quotations and Bids**

1. All inquiries submitted by KKM shall be considered binding only if submitted in writing, by fax or electronically.
2. Bids should be made in Polish, unless otherwise agreed. The offer must be complete and contain all information necessary to assess whether the goods offered by the Seller meet the requirements indicated in the request for quotation.
3. If in the request for quotation KKM strictly specified the requirements to be met by the goods, the Seller shall be obliged to indicate any discrepancies between the requirements specified in the content of KKM's request for quotation and the content of the offer submitted by the Seller, as well as the reasons for the Seller's deviation from the requirements or conditions indicated by KKM. The list of such discrepancies shall be attached to the offer submitted by the Seller.
4. Responses to requests for quotations as well as offers and attachments to such responses or offers submitted by the Seller are free of charge to the CCC. KKM may at any time request that the Seller submit additional information or documents regarding the goods that are the subject of the offer free of charge.
5. The currency and price must be clearly stated in the bid. All prices are net prices, not including the value of goods and services tax according to the applicable law, unless expressly stipulated otherwise. Unless otherwise stipulated, the prices indicated in the quotation also include the costs of loading, transportation, shipping, packaging, insurance, unloading until the Goods are released at the premises of KKM, or the place indicated in the inquiry or order by KKM.
6. The Vendor is obliged to check immediately upon receipt from KKM the completeness and consistency of the documents provided to it by KKM in connection with the submission of the request for proposal. The Vendor shall notify KKM of any missing documents and information immediately and no later than 3 business days from the date of receipt of the request for proposal.

### **§3. conclusion of the agreement**

The Contract for Purchase of Goods is concluded at the moment of placing the order by KKM. Delivery may also be made by telefax or e-mail.

The seller is required to reverse confirmation of the order. Lack of confirmation KKM will treat as acceptance of the conditions specified in the order.

### **§4 Delivery**

1. The delivery of the goods by the Seller shall be considered by the parties as the Seller's assurance that the goods have the characteristics specified in the contract and that the goods are free of defects.

2. The Seller shall be obliged to deliver goods free of defects, in accordance with the contract, together with complete documentation in Polish (such as: warranty cards, user manuals, data sheets, declarations of conformity, certificates, etc.) unless otherwise stipulated in the content of the goods purchase contract itself. Goods subject to the contract should include all parts and components necessary for their proper, correct and trouble-free operation, even if they are not explicitly indicated in the request for quotation or order.

3. If the condition for operation or incorporation of the goods is to obtain a permit for their use or other official certificate or certification allowing the goods to be put into operation, the Seller shall obtain such decisions, certificates or certifications and submit them to the CCM no later than the date of delivery of the goods.

4. The Seller's delivery of goods that are not free of defects shall not be considered performance. Delivery of goods that are not free from defects shall be understood as cases when the Seller delivers other goods than those specified in the contract or delivers goods in the wrong quantity or delivers defective goods or delivers goods without the required documentation. Unless otherwise agreed, loading, shipment, transportation, unloading of goods ordered by KKM shall be at the risk of the Seller.

5. Lack of approvals will result in the acceptance of materials as a deposit, which will delay payment.

6. Unless otherwise agreed, the delivered goods must be packed according to the customs of the trade and according to the characteristics of the packaged item. Damage due to defective packaging shall be the responsibility of the Seller.

7. Acceptance of the goods will be confirmed on the proof of delivery of goods issued by the Seller. Confirmation shall be made by a person authorized to act on behalf of KKM.

#### **§5 Seller's liability**

1. Unless otherwise agreed, the Seller shall be obliged to cover damages incurred by KKM directly or indirectly as a result of defects in the goods, the Seller's violation of administrative safety regulations or any other cause attributable to the Seller, even if no fault can be attributed to the Seller.

2. Unless otherwise agreed, the Vendor undertakes to indemnify KKM from liability for damage caused by the use of goods supplied by the Vendor at KKM's customers, regardless of whether such damage was caused by defects in the goods or by their improper use.

3. KKM is liable only for damage caused to the Seller through intentional fault.

#### **§6 Assignment of Claims.**

The vendor may not, without the prior written consent of KKM, assign to a third party the claims to which it is entitled against KKM under the contract for the purchase of goods or authorize third parties to assert such claims.

#### **§7 Contractual penalties**

The vendor will pay the contractual CC:

1. in the event of withdrawal from the contract by either party for reasons beyond the control and control of KKM- in the amount of 15% of the value of the ordered goods,

- 1.1 In case of failure to meet the deadline for delivery of goods, KKM will be entitled to claim the following contractual penalties: a one-time penalty in the amount of 15% of the net price of the Agreement, and 0.3% of the net price of the Agreement for each day of delay,
2. in the event that the actual damage sustained is greater than the contractual penalty, KKM will be entitled to claim damages in excess of the contractual penalty,
3. KKM will be entitled to deduct the accrued liquidated damages from the price of the goods.

#### **§8 Final provisions**

1. In matters not regulated by these GTCs, the provisions of Polish law shall apply. These GTCs exclude the application of the provisions of the Vienna Convention of April 11, 1980 on the International Sale of Goods.
2. KKM and the Vendor will seek to amicably resolve any disputes arising in connection with the performance of contracts covered by these GTCs. If an amicable settlement is not possible, the competent court to resolve the dispute shall be the common court having jurisdiction over the registered office of KKM as of the date the action is brought.
3. Polish law is exclusively applicable to matters related to the performance of contracts subject to these GTC.
4. About the use of a model agreement in the form of, for example, general terms and conditions or rules and regulations, the Seller is obliged to inform KKM in the letter containing the offer, at the same time submitting a copy of the model agreement used by it - under pain of ineffectiveness of the terms and conditions arising therefrom for KKM. In this case, KKM will declare on what terms it intends to conclude an agreement for the order. In the event of a discrepancy between the Parties, the execution of the order shall be suspended until an agreement is reached, unless the vendor immediately informs KKM in writing or electronically (e-mail, fax) that it abandons the use of its own template agreement.