

Przeworsk, 22 November 2021

GENERAL TERMS AND CONDITIONS OF PURCHASE

binding in the company

B&P Engineering Sp. z ograniczoną odpowiedzialnością

[limited liability company]

with its registered office in Przeworsk, ul. Lubomirskich 1E [1E Lubomirskich street]

zip code: 37-200, post town: Przeworsk,

Przeworsk Commune, Przeworsk County, Podkarpackie voivodship [province],

entered in the Register of Entrepreneurs of the National Court Register under the

KRS [National Court Register] number: 0000932361,

with share capital PLN 1,000,000.00,

NIP [Tax Identification Number:] 794-16-81-757

1. GENERAL PROVISIONS

1.1 These General Terms and Conditions of the Order (hereinafter referred to as GTCO) apply to orders placed by **B&P Engineering Sp. z ograniczoną odpowiedzialnością** with its registered office in **Przeworsk**, ul. Lubomirskich 1E, zip code: 37-200, post town: Przeworsk, Przeworsk Commune, Przeworsk County, Podkarpackie voivodship [province], entered in the Register of Entrepreneurs of the National Court Register under the **KRS** [National Court Register] number: **0000932361**, whose files are kept by District Court in Rzeszów, 12th Commercial Division of the National Court Register, Tax Identification Number NIP: 794-16-81-757, hereinafter referred to as 'the **Ordering Party** or **B&P**' and refer respectively to contracts of sale or delivery of materials, raw materials, parts, prefabricates, products or devices, services hereinafter referred to as



'**goods, services or subject of the contract**' by an third party hereinafter referred to as 'the **Supplier** or the **service provider**'.

1.2 Unless separate written terms are agreed between B&P and the Supplier the GTCO shall apply. If the Supplier's enterprise applies separate Terms of Contracts or regulations applied by the Supplier, the provisions of the GTCO shall prevail unless the parties agree otherwise.

1.3 No terms and conditions contained in order confirmations, prior offers and other documents issued by Suppliers in the absence of written confirmation shall not bind B&P, even if they have not been expressly rejected.

1.4. Formal terms for issuing and accepting orders.

1.5 The B&P order number should be quoted on the Supplier's notification of delivery, invoice, WZ document [delivery note], acceptance report and all other transaction documents.

1.6 It is agreed that an order may be effectively placed or a contract may be entered into in the name and on behalf of the Ordering Party only by a person authorized by name to such activities by the Ordering Party. In case of doubts, the Supplier is obliged to obtain an appropriate authorization by the person ordering or concluding the contract, authorizing to act in the name or on behalf of B&P.

1.7 Acceptance for each order should be confirmed by the Supplier via an appropriate e-mail message delivered to the business address of the person ordering or in writing by the Supplier within 3 days of its sending by the person ordering. The confirmation is a document, fax or e-mail sent by the Supplier to the Ordering Party of which the content clearly shows when, under which conditions and of which order it is confirmed as well as when the delivery, shipment of material takes place with accuracy to the



calendar week. Signing, returning the order confirmation means accepting these General Terms and Conditions of Purchase.

1.8 The failure of order confirmation by the Supplier within the deadline set out above shall be treated by the Ordering Party as a tacit acceptance (acceptance) by the Supplier of the order to be executed on the conditions specified in the order and in accordance with the General Terms and Conditions of the Order.

2. DELIVERY DATE

2.1 The Supplier shall be obliged to comply with the dates and quantities of deliveries indicated in the B&P order. If the delivery made by the Supplier contains a different quantity than that indicated in the content of the order, the Ordering Party has the right to return the confirmed surplus at the Supplier's cost. Delivery dates are the deadlines specified in the order and indicate the date of delivery to the place of delivery indicated in the order.

2.2 In the event of risk of failure to meet the delivery deadline, the Supplier shall be obliged to provide by e-mail an expected duration of the delay and reasons for its occurrence. Lack of the above-mentioned information or providing information - from which it appears that the delivery cannot be completed on time - may be the basis for the Ordering Party's withdrawal from the order including the consequences resulting from the provisions of these General Terms and Conditions of Purchase.

2.3. The Ordering Party reserves the right to withdraw from all or part of the unrealized order within the deadline specified in the order without the obligation to pay any compensations. At the same time, the Ordering Party reserves the right to claim compensation from the Supplier for improper performance of the contract on general terms set out in the Civil Code and reimbursement of costs incurred for substitute performance of the contract.



3. TERMS OF DELIVERY - Delivery of goods

3.1 The ordered goods shall be delivered by the Supplier to the place indicated in the order. The Ordering Party has the right to refuse the delivery if the delivery item does not include delivery documents issued by the Supplier, including the order number, specification of the product sent, quantity, packaging details, weight and place of receipt.

3.2 The Supplier is liable for damages resulting from any delay, loss or damage caused by improper marking, packaging or identification of the delivery item.

3.3 The delivery of the ordered goods is considered to have been completed in relation to the fulfilment of the terms of delivery and transfer the risk of accidental loss or damage of the goods from the Supplier to the Ordering Party at the time of the documented faultless receipt of the delivery item by the Ordering Party at the agreed place.

3.4 The Ordering Party is entitled to return to the Supplier at the Supplier's own expense and risk for each shipment delivered before the delivery date or to charge the Supplier with appropriate storage costs. The Supplier shall bear the risk of damage or loss.

3.5 Responsibility for non-performance or improper performance of the contract is established in the form of contractual penalties in the following cases and amounts:

3.5.1 For withdrawing from the order by the Ordering Party for reasons attributable to the Supplier or by the Supplier for reasons beyond the Ordering Party's control - in the amount of 10% of the net value of the subject of the order;

3.5.2 For exceeding the delivery date - in the amount of 2% of the net value of the order for each day of exceeding, this also applies to intermediate dates;



3.5.3 For delay in removal of defects found when receipt the subject of the order or during the guarantee and warranty period for defects - in the amount of 2% of the net value of the order for each day of delay, calculated from the expiry of the deadline set by the Ordering Party for the removal of defects.

3.6 The Ordering Party has the right to deduct the penalties imposed from the Supplier's remuneration.

3.7 In the event of the Supplier's delay in the execution of the subject of the order or the Supplier's failure to fulfil the obligation specified in clause 2.2 of the General Terms and Conditions of Purchase, the Ordering Party may - without giving up the right to charge a contractual penalty and supplementary compensation - use one or more of the following rights:

3.7.1 Request execution of the contract in whole or in part;

3.7.2 Make a purchase from another supplier, at the expense and risk of the Supplier;

3.7.3. Withdraw from the order for reasons attributable to the Supplier without setting an additional deadline, upon written notification to the Supplier. The Supplier accepting the order for execution undertakes that the subject of the order including each of the components comprising it:

- a) shall be brand new, full value and not bearing any use, in particular non-refurbished, non-reconstituted, and non-repaired,
- b) shall meet all the security requirements set out in the Polish law in force;
- c) shall not show any physical or legal defects as well as shall not have any other features limiting the possibility of their proper use;



- d) shall be admitted to trading on the territory of the Republic of Poland at the time of their commissioning or use for business operations carried out by B&P;
- e) shall have all necessary certificates, authorisations, permits, approvals, etc. permitting their use or products made using them in the European Union;
- f) shall have all the necessary certificates, authorisations, permits, approvals, etc., enabling their use in the territory of the Republic of Poland, in particular due to the observance of rules regarding environmental protection, occupational health and safety (OHS), fire protection, etc.

3.8 If the contractual penalty does not cover the damage suffered, the Ordering Party may claim supplementary compensation on generally applicable rules.

3.9. During the implementation of the order, the Supplier shall inform the Ordering Party about all circumstances that may affect the date of its implementation, course and quality.

3.9.1 Any deviations from the terms of the contract in relation to the price, quantity, specifications, drawings, designs, construction, type and method of packaging, quality of the Goods, manner and place of delivery shall require prior written consent of the Ordering Party.

3.9.2 The Supplier shall provide the following documents for each delivery:

a) VAT invoice sent via email to the following address:

invoices@engineering-bp.com

b) Delivery document with specification (document delivered with the goods),

c) Product quality certificate or material certificate delivered with the Product or to the address: atest@engineering-bp.com

d) certificates as well as other documents, the delivery of which, along with the delivery of goods, is customarily accepted or results from generally applicable legal provisions or possibly may have been reserved in the order or order confirmation.



4. GUARANTEE AND WARRANTY

Completion of the order results in the Supplier's guarantee and warranty for the delivered goods for the period specified in the order. In the absence of this reservation to the contents of the Order the following terms and conditions apply.

4.1 The guarantee and warranty period is 36 months and runs from the day indicated in the order or possibly from the date of the receipt of the delivery item without any faults by the Ordering Party. The guarantee liability is in line with the provisions of the Civil Code. The Ordering Party notifies the Supplier of any defects found in the goods delivered immediately after they have been identified.

4.2 Defects detected on delivery and during the guarantee period shall be removed by the Supplier within the deadline set by the Ordering Party. The Ordering Party reserves the right to make the return of all faulty goods at the Supplier's expense or request replacement. The Supplier shall immediately take all necessary steps to ensure the replacement or repair of defective goods at its own expense with due diligence. In the event the Supplier fails to remedy the reported defect within the prescribed period the Ordering Party may remove the defect in substitution for the Supplier, at the Supplier's cost, after prior notification to the Supplier. The above does not infringe the Ordering Party's rights in terms of contractual penalties, supplementary compensation and suspension of payment of the Supplier's invoices as well as does not release the Supplier from liability under the guarantee.

4.3 The Supplier shall deliver to the Ordering Party the guarantee card the content of which may not violate these terms at the latest on the day of delivery of the subject of the order.



4.4 Regardless of the rights under the guarantee the Supplier bears the responsibility towards the Ordering Party under the warranty in accordance with the provisions of the Civil Code.

5. ORDER WITHDRAWAL

5.1 B&P has the right to withdraw the order or to withdraw in whole or in part from the concluded contract with notification to the Supplier and without additionally requesting him to fulfil the obligation in case any of the following assurances of the Supplier in any part or scope will not be true;

5.2 The Supplier hereby declares and warrants that:

- a) the Supplier's occupation deals with professional conducting of business activity including the subject of order within its scope;
- b) read the Ordering Party's order and other details and information relevant to the proper delivery performance,
- c) prior to the order's acceptance the Supplier has made an accurate verification of the factual data, documentation and specifications in order to determine whether they are sufficiently complete, coordinated, feasible and otherwise adequate to include all work and materials required to complete the duties incumbent upon the Supplier in connection with the acceptance of the Order for implementation,
- d) has all rights, permits, consents etc. resulting from legal provisions necessary to perform the Order;
- e) has practical experience, expertise, knowledge and skills necessary to perform for the Ordering Party the obligations incumbent on the Supplier at a proper level and in a manner consistent with the purpose and intended by the Ordering Party,



- f) the transfer to the Ordering Party of the rights to the subject of the Order shall not be limited or excluded in any way, nor shall it violate any rights or legally protected interests of any third parties;
- g) holds professional liability insurance in the scope of business activity including in the scope covered by the Order and the insurance cover in the described scope lasts on the date of conclusion of the Order for execution and shall last for at least twenty-four months from the date of the Order;
- h) the Supplier is entitled to all copyrights, industrial property rights and other intellectual property rights to any elements used in the subject of delivery, including all technical, technological, functional, aesthetic solutions, etc.;
- i) as at the date of order acceptance, no bankruptcy, arrangement proceedings or any other proceedings related to the insolvency of the Supplier were instituted against it, nor are there any circumstances specified in the law applicable to the Supplier justifying filing for bankruptcy or instituting a similar procedure regarding the Supplier;
- j) as at the date of conclusion of the Agreement, no liquidation procedure was initiated for the Supplier and there are no circumstances justifying liquidation of the Supplier;
- k) to the best of the Supplier's knowledge there is currently no court, arbitration or administrative proceedings that could have a negative impact on the Supplier's financial situation or the Supplier's ability to perform obligations on the Supplier towards the Ordering Party;
- l) it is not necessary to obtain any consents, authorisations, permits, resolutions, etc. of any Supplier's authorities or any third parties or public administration authorities to perform the Order by the Supplier;
- m) when performing the order for B&P, the Supplier is represented in a manner enabling its valid and effective performance.



6. PRICE AND TERMS OF PAYMENT

6.1 The Ordering Party buys the Goods based on the prices indicated in the content of the Order accepted by the Supplier. Net prices shall be increased by VAT at the applicable rate.

6.2 B&P undertakes to pay the Supplier's Fixed Price on the date indicated in the Supplier's invoice **issued after the faultless receipt** of the Goods without any quantitative or qualitative shortages. If the VAT invoice is incorrectly issued the Supplier shall issue a correction. Waiting for the correction interrupts the payment run. The payment period is counted from the date of delivery of the correction to the incorrect invoice.

6.3 A VAT invoice shall be sent to the e-mail address: invoices@engineering-bp.com

6.4 Payments shall be made by B&P to the Supplier's account indicated in the invoice.

6.5 If the date of payment falls on a Saturday or a day off for the day of payment, the first business day after the set date is accepted.

6.6 Both Parties agree that payment shall be deemed to have been made on the date on which it is debited to the Ordering Party's account.

6.7 In addition to the data required by the Act on VAT and Implementing Regulations the invoices from time to time shall include the following details:

- a) recipient - Warehouse or other place,
- b) the delivery note number,
- c) the name of the article,
- d) unit price,



- e) information: 'Transfer of receivables requires a written consent of B&P Engineering Sp. z o.o. [B&P LLC Limited partnership]',
- f) the date of payment as agreed by the Parties.

6.8 The prices specified in the content of the order are fixed, related only to the specific goods sent to the agreed place of receipt in accordance with the order. The price includes all services and benefits that result from the order, or offers, drawings as well as catalogues, deliveries ready for production as a result of the agreed arrangements of the Parties. For deliveries / services that occur between members of EU countries, from outside Poland, the Supplier from time to time shall indicate the European tax identification number.

6.9 The date of payment for goods is suspended in the event of:

- initiation of the complaints procedure by the Ordering Party until its consideration by the Supplier, or
- lack of any documents reserved in the content of point 3.9.2 or the contents of the Order, or required by law until the Supplier supplements them.

7. RESERVATIONS OF TITLE

7.1 The reservation of title of the subject of the order to the Supplier or third parties is excluded. The Supplier may transfer his/her claims against B&P only with the prior written consent of B&P.

7.2 The Supplier may settle his/her claims with B&P's claims only against uncontested or legally determined liabilities or assert claims under the right of retention.

7.3 The claims that exist against us shall not be entitled to withdraw or pledge. Any reservation of title over the subject of the order is excluded.



8. CONFIDENTIALITY

8.1 Any information resulting directly from these General Terms and Conditions of Purchase as well as information obtained by the Supplier in connection with the implementation of the contract, including in particular any organizational, commercial and technical information regarding the Ordering Party and not made available to the public shall be considered by the Parties as confidential information and as such shall not be disclosed to the third parties. This obligation does not apply to situations in which the obligation to provide information results from the mandatory provisions of law.

8.2 In particular, the Supplier undertakes to treat as confidential information about the volume of trade, applied prices, discounts, product specifications, logistic agreements, technological data, otherwise the Ordering Party shall withdraw from the order for reasons dependent on the Supplier.

8.3 The Supplier declares that the Supplier shall not use confidential information for other purposes than for the performance of the order and that the Supplier shall provide this information with adequate protection appropriate to its confidential nature. The obligation to keep the information in secret remains in force after the order has been completed and may be waived only in writing, under pain of nullity, with the consent of the Ordering Party.

9. DISPUTES

9.1 In matters not covered by these General Terms and Conditions of Purchase the relevant provisions of the Civil Code shall apply. In the event of a dispute regarding the interpretation or performance of the order and these General Terms and Conditions of Purchase that the Parties are unable to resolve amicably, the competent determining authority shall be the court having jurisdiction over a B&P's seat.



10. FINAL PROVISIONS

10.1 These General Terms and Conditions of Purchase are an integral part of the order placed with the Supplier by the Ordering Party. In the event of a conflict or discrepancy the content of the order is decisive.

10.2. Any amendments and additions to the General Terms and Conditions of Purchase must be made in writing under pain of nullity.

Przeworsk, 22 November 2021.

