

## **General Terms and Conditions of Purchase**

### **§ 1**

#### **GENERAL PROVISIONS**

1. These General Terms and Conditions of Purchase (GTC) apply to orders submitted by ZPAS S. A. with its seat in Przygórze, 57-431 Wolibórz, Przygórze 209, entered into the register of entrepreneurs maintained by the Wrocław-Fabryczna District Court, 9th Economic Division of the National Court Register (KRS) under the number 0000083974, NIP (tax identification number) 885 000 32 65, hereinafter referred to as the "Customer", for the sale or supply of materials, resources, parts, semi-finished products, articles, devices, software and any other related services ("goods") offered or supplied by an entity hereinafter referred to as the "Supplier".
2. These GTCs apply in default of other provisions agreed between the Customer and the Supplier. The provisions and detailed conditions of each order agreed in writing with the Supplier will have precedence over the provisions of these GTCs.
3. If the Seller uses general terms and conditions of sale or other contractual templates which collide with those GTCs in whole or in part, these GTCs are binding unless the Parties jointly agree otherwise.
4. While performing the order, the Supplier fully assumes the obligations resulting from these GTCs, taking into account the provisions of section 1, items 2 and 3, respectively.

### **§ 2**

#### **ORDERS**

1. All orders for goods and services shall be submitted in writing. The orders must be confirmed by the Supplier in writing within 3 business days from the order date. A hardcopy document, fax or email sent by the Supplier to the Customer is considered as written confirmation.

If performing the order according to the specification proves impossible, the Supplier will immediately notify the Customer of this.

2. Lack of written confirmation pursuant to section 2, item 1 is considered as tacit acceptance of the order for performance on the terms specified in the order and the GTC.
3. A change or addition to any provisions of the order or GTC will be considered as change of the agreement. Any changes to the order require the express written confirmation by the Customer.
4. If the order range is extended, the Supplier will deliver goods from the extended range at prices and with rebates agreed in the original order.

### **§ 3**

#### **DELIVERY TERMS**

1. The object of delivery must be performed according to the contents of the order and applicable standards and regulations.
2. The Supplier will deliver the ordered goods to the location named in the order.
3. Each delivery should be accompanied by a full set of shipping documents and a waybill. The documents should contain the order number, order date as well as specifications of shipped goods: quantity, package details, weight and place of receipt, if noted in the order. The Supplier will attach the following to the order: warranty cards, technical documentation related to the goods, such as:

operation and maintenance manuals, training materials, drawings, technical specification sheets, product safety sheets, plant test certificates, compliance certificates and other necessary attestations.

4. Delivery of software or goods containing software will include, for purposes of maintenance or adaptation, all related source code.

5. The Customer may refuse to accept a delivery if assigning the delivery to the relevant order is impossible or excessively difficult due to incomplete delivery documents/waybill.

6. The Supplier is responsible for damage resulting from loss or damage during delivery as a result by improper marking, packaging or identification of the shipment.

7. The risk of accidental loss or damage of the goods passes from the Supplier to the Customer upon documented acceptance of the defect-free object of delivery by the Customer in the agreed location.

8. The Customer is entitled to put the delivery of ordered goods on hold in whole or in part. In such case, the Supplier is obliged to store these goods in warehouses belonging to the Supplier or to third parties until consent to proceed with the delivery is granted. Using the above entitlement will not cause any costs for the Customer for the first 30 days. Afterwards the Parties will agree on the costs of storing the goods in warehouses belonging to the Supplier or to third parties.

9. When the goods do not comply with specifications, the Customer may return the goods to the Supplier at the cost and risk of the Supplier or to notify the Supplier that the goods have been rejected and are stored at the cost and risk of the Supplier.

10. The Supplier represents and warrants that the goods it delivers are free from any physical and legal defects, in particular that they do not infringe upon any intellectual property rights of third parties, specifically any economic copyright or trademark protection rights, patents or rights in registration of industrial designs/utility models. The Supplier undertakes, at its own cost, to hold the Customer harmless or to cover all damage, including direct and indirect damage, caused due to delivery of defective goods.

11. The staff of the Supplier and the subcontractors hired by the Supplier are obliged to comply with the rules and regulations in effect at the site of the Customer and/or final customer.

#### **§ 4**

##### **DELIVERY DATES**

1. Delivery dates are specified in the order and mean the date on which the goods are delivered to the delivery location named in the order.

2. The Supplier undertakes to comply with the delivery dates noted in the order. The Supplier is responsible for damage caused by delay in delivering the goods.

3. The Supplier undertakes to notify the Customer about each delivery 3 days in advance. If a delivery is made before the agreed date or is not notified in advance, the Customer is entitled to ship the delivery back at the cost of the Supplier or to accept and store the goods at the cost and liability of the Supplier.

4. Partial deliveries will be accepted following prior written arrangements.

5. If the Supplier decides that the agreed delivery date cannot be complied with for any reason, the Supplier should immediately notify the Customer of this in writing and state the new delivery date.

If the Customer accepts in writing the date stated by the Supplier, the Supplier should perform the delivery according to the new arrangements.

## **§ 5**

### **PRICE**

1. The prices stated in the order are binding for the Parties and are not subject to change. If a price is changed, the Supplier is obliged to send a confirmation of the new price in writing and the Customer needs to accept the change. If the change is not accepted, the original order price remains in effect.
2. The prices stated in the order refer to goods delivered to a specific delivery location at the cost of the Supplier, unless otherwise agreed.

## **§ 6**

### **INVOICES AND TERMS OF PAYMENT**

1. In return for proper delivery of goods/performance of service, the Customer will make a payment to the Supplier's account by bank transfer within 30 days from the date of receiving a VAT invoice correctly issued by the Supplier and delivered to the Customer, unless agreed otherwise by the parties in separate provisions.
2. The invoices must be sent by email to [faktery@zpas.pl](mailto:faktery@zpas.pl) at the latest on the delivery date. The Supplier is obliged to place the Customer's order number on the invoice. If the number is missing, the Customer reserves the right to return the invoice for correction and postpone the payment deadline by the period of waiting for the Supplier to submit the correct invoice, including an invoice with the order number.
3. The Supplier is obliged to place information about the country of origin of goods and the custom tariff code or to submit this information to the Customer at the latest 3 business days following the delivery.

## **§ 7**

### **CONTRACTUAL PENALTIES, WITHDRAWAL**

1. The following liability for failure to perform or improper performance of the order in the form of contractual penalties is agreed in the following circumstances and amounts: The Supplier will pay a contractual penalty to the Customer:
  - a) when the Customer withdraws from the order for reasons attributable to the Supplier or when the Supplier withdraws from the order for reasons not attributable to the Customer – equal to 20% of the netvalue of the order;
  - b) for delay in delivery – in the amount of 0.2% of the net value of the order for each day of delay;
  - c) for delay in removing defects identified during acceptance of the order or during the statutory warranty and guarantee period – in the amount of 0.2% of the net value of the order for each day of delay, counting from the date designated by the Customer for removal of defects.
2. The Customer is entitled to deduct the imposed penalties from the remuneration due to the Supplier.
3. If the contractual penalty does not cover the damage sustained, the Customer may seek supplementary compensation on generally applicable terms.

4. If the Supplier is in arrears with performing the order in excess of 7 days the Customer may, without prejudice to its right to impose contractual penalty and seek supplementary compensation, avail itself of one or more of the following remedies:

- a) demand that the delivery be performed in whole or in part;
- b) make a purchase from another supplier at the cost and risk of the Supplier;
- c) after notifying the Supplier in writing, withdraw from the order for reasons attributable to the Supplier and without setting a grace period.

## **§ 8**

### **LIABILITY FOR DEFECTS OF GOODS**

1. Upon performing an order, the Supplier grants a guarantee for delivered goods for the period stated in the order, pursuant to the provisions of the Polish Civil Code. The guarantee period runs from the date of receiving the goods into the Customer's warehouse or another date stated in the order.
2. Regardless of its obligations under guarantee, the Supplier is liable towards the Customer under statutory warranty pursuant to the provisions of the Polish Civil Code.
3. Immediately after the goods are received or a service is completed, the Customer notifies the Supplier about any discovered defects of delivered goods or performed services.
4. The Supplier will remove the defects discovered upon acceptance and during the guarantee period by the date stated by the Customer.
5. The Customer reserves the right to return all defective goods at the cost of the Supplier or to demand their replacement.
6. The Supplier will undertake all necessary steps to replace or repair defective goods at its own cost with due diligence.
7. If the Supplier does not remove a notified defect by the stated date, the Customer may remove the defect vicariously, at the cost of the Supplier, after prior notification of the Supplier in writing. The above is without prejudice to the rights of the Customer related to contractual penalties and supplementary compensation and does not release the Supplier from liability under guarantee.
8. The Supplier guarantees that the delivery of goods will not infringe upon the rights of third parties.
9. The Supplier will indemnify the Customer against all potential claims of third parties related to delivered goods, parts and materials that are protected by patents, licenses or proprietary models. In case of proceedings conducted with respect to such claims, the Supplier will ensure direct defence of the Customer at its own cost.

## **§ 9**

### **INSURANCE**

1. The Supplier is obliged to hold third party liability insurance related to its economic activities. The insurance must include compensatory liability for defects of sold goods.
2. At each request of the Customer, the Supplier is obliged to submit a copy of its current policy mentioned above. If the policy copy is not submitted, the Customer is entitled to withdraw from all orders not completed as of the date of withdrawal without suffering any consequences.

## **§ 10**

### **CONFIDENTIALITY**

1. All information resulting directly from these General Terms and Conditions of Purchase, as well as information obtained by the Supplier in connection with performing the agreement, including in particular all organisational, commercial and technical information related to the Customer and not available to the public, will be considered by the Parties as confidential information and as such will not be disclosed to third parties. This does not apply to situations in which the obligation to share information results from generally applicable provisions of law.
2. The Supplier undertakes in particular to treat as confidential any information concerning the volume of trade, quoted prices, rebates, product specifications, logistical agreements and technological data, on pain of the Customer withdrawing from the order for reasons attributable to the Supplier.
3. The Supplier represents that it will not use confidential information for purposes other than to perform the orders and that it will duly protect such information as required by their confidential nature.
4. The obligation to maintain the confidentiality of information remains in effect after the order has been completed and may be waived only with the consent of the Customer, made in writing on pain of invalidity.

## **§ 11**

### **FORCE MAJEURE**

1. Neither party is liable for delays in performing an order due to the occurrence of force majeure. The delayed party will however make all efforts to reduce the duration of delay.
2. In case of occurrence of force majeure, the Supplier will immediately notify the Customer and state the expected duration of delay.
3. The Customer reserves the right to withdraw from the order if the providing the consideration becomes impossible or irrelevant for the Customer due to existing or expected delay or the consequences of force majeure.

## **§ 12**

### **DISPUTED MATTERS**

1. In matters not regulated in these General Terms and Conditions of Purchase, the corresponding provisions of the Polish Civil Code apply.
2. In case of dispute concerning the interpretation or performance of an order and these General Terms and Conditions of Purchase that the Parties are unable to resolve amicably, the competent body will be the common court having jurisdiction according to the seat of the Customer.

## **§ 13**

### **ANTI-CORRUPTION PROVISION**

1. The Supplier must prevent all dishonest activity of its representatives in connection with receiving pecuniary amounts from the Customer.
2. The Supplier warrants and undertakes not to make any donation or pay any commission to an employee, intermediary, subordinate or representative of the Customer in connection with an order or any other agreement with the Customer.

4. If the Supplier or any other person acting on its behalf violates the above provisions, the Customer is entitled to cancel the order without suffering any legal consequences and may demand the payment of contractual penalty equal to PLN 100,000 for each violation.

#### **§ 14**

##### **ENVIRONMENTAL PROTECTION, OHS, ETHICAL BEHAVIOUR**

1. The Supplier undertakes to conduct its activities in compliance with applicable laws protecting the environment and natural resources and with the sustainable development principle.

2. The Supplier undertakes to comply with applicable laws concerning occupational health and safety (OHS) and to observe employee rights resulting from OHS provisions.

3. The Supplier undertakes to use in its activities only materials and resources authorised for use in the European Union. The Supplier must not use materials and resources found on the EU restricted substances list.

4. The Supplier declares that the goods it supplies are not so-called dual-use items, which are goods delivered to arms industry sites. Otherwise the Customer requires the Supplier to disclose such information.

#### **§ 15**

##### **FINAL PROVISIONS**

1. The Supplier is not entitled to transfer to another party or encumber the rights resulting from performing an order without the written consent of the Customer.

2. These General Terms and Conditions of Purchase are an integral part of an order submitted to the Supplier by the Customer. In case of discrepancies or variations, the contents of the order is decisive.

3. Any changes and additions to the General Terms and Conditions of Purchase must be made in writing on pain of invalidity.

4. The invalidity of any provisions of the GTC or an order in whole or in part does not affect the validity of other provisions or any agreement made thereunder.

Przygórze, December 2023