

These General Terms and Conditions of Order Execution ("Terms and Conditions") constitute an integral part of Orders placed by ZARMEN Sp. z o.o. (LLC; hereinafter: Ordering Party) to its counterparties (hereinafter: Supplier(s)).

**§ 1
Definitions**

- Terms used in these Terms and Conditions have following meaning:
 - Ordering Party** means ZARMEN limited liability company with its registered office in Warsaw (00-867 Warsaw) at 51 Chłodna Street.
 - Order** means a document issued by the Ordering Party as a result of which a legal relationship is established between the Ordering Party and the Supplier under the conditions specified in the Order on the basis of which the Supplier provides the Ordering Party with Goods or Services;
 - Goods** means all items ordered by the Ordering Party from the Supplier, in accordance with the quantity, quality and type specification defined in the Order;
 - Services** means all activities, works or construction and assembly works which execution have been commissioned to the Supplier on the basis of the Order;
 - Supplier** means an entity supplying Goods or providing Services. Depending on the subject of the Order, the Supplier may also be referred to as the Contractor or Subcontractor.

**§ 2
Conclusion of the Agreement**

- Supplying Goods/providing services is carried out on the basis of a written Order signed by persons duly authorized and sent to the Supplier.
- Order should contain at least the following elements: designation of pages, date and number of the Order, quantity and type of Goods/service description with precise specification, net price, place to which the Goods should be delivered/in which the Service should be performed and the date of delivery of the Goods/performance of the Service.
- Acceptance of the Order for execution should be confirmed in writing within 3 business days from the date of its receipt by the Supplier. Order may be accepted for execution only without reservation. The absence of a written objection to the terms and conditions indicated in the Order, within the period indicated in the first sentence, shall be deemed as confirmation of the Order and acceptance of all its terms and conditions.
- Supplier's accession to the execution of the Order shall also be treated as Supplier's acceptance of the Order for execution and acceptance of all of its terms and conditions despite a failure of issuing written acceptance of the Order by the Supplier.
- In case when the Order confirmation provided by the Supplier, after receiving the Order form the Ordering Party, includes reservations to terms and conditions or it is inconsistent with the Order, introductions of such changes requires explicit consent of the Ordering Party in writing under pain of nullity.
- Supplier's acceptance of the Order for execution is equivalent to Supplier's statement that he is an active VAT payer with all the effects of such a statement.

**§ 3
Dates of delivery of the Goods/performance of the Services**

- The dates referred to in §2 Section 2 shall mean the dates of delivery of the Goods to the indicated place and/or performance of the Service in the place indicated in the Order. These deadlines must be strictly observed.
- In case of a risk of failure to meet the deadline for the delivery of the Goods/performance of the Service, the Supplier shall be obliged to immediately notify the Ordering Party in writing of the anticipated period of delay and indicate the reason for its occurrence as well as undertake, at their own expense, all necessary actions to minimize or prevent this delay.
- In case when the completion of the Order is delayed by more than 7 days, in relation to the time limit of execution of the Order or its part as specified in the Order, the Ordering Party shall be entitled to order the execution of the non-completed part of the Order at a third party at the Supplier's expense and risk.
- Regardless of the right arising from §3 Section 3 above and the remaining provisions of Terms and Conditions, the Ordering Party reserves the right to withdraw from the whole or part of the Order not executed within the time limit specified in the Order. The Ordering Party may exercise the right of withdrawal within 60 days of the expiry of the last day that the Ordering Party has appointed to the Supplier for execution of the Order (withdrawal shall be deemed to have occurred for reasons not attributable to the Ordering Party). The Supplier waives any claims for damages which he may be entitled against the Ordering Party for withdrawing from the whole or part of the Order for the reasons referred to in the previous sentence.
- In case of an early delivery of the subject of the Order, without prior arrangement of such a possibility with the Ordering Party, the Ordering Party reserves the right to refuse to accept or return the Goods at Supplier's cost and risk or to charge the Supplier with appropriate storage costs.

**§ 4
Terms of delivery/receipt of Goods and/or Services**

- Unless otherwise specified in the Order, all deliveries carried out based on the Orders shall be executed in compliance with INCOTERMS 2020 DDP, to the place specified in the Order at the Supplier's cost and risk.
- Supplier shall inform the Ordering Party, in writing, about planned delivery of the Goods at least 2 days in advance.
- Order shall be deemed duly completed when:
 - in case of delivery of the Goods - the quantity, assortment and quality of the delivered Goods is consistent with the content of the Order, along with the delivery of the Goods delivery documents containing following have been delivered: the number of the Order, specification of the delivered Goods, their quantity or weight, delivery address and attestations, certificates, quality certificates, warranty cards or other documents related to the Goods specified in the Order;
 - in case of performance of Services - ordered Services have been properly performed and have no defects; which has been confirmed by the Ordering Party by signing Final Acceptance Protocol documenting proper performance of ordered Services without any reservations.
- Ordering Party may refuse to sign Final Acceptance Protocol of the Order in particular when:
 - defects and/or faults as well as shortages, including quantity shortages of the delivered Goods, are found during the acceptance;
 - Supplier failed to provide quality documentation, required by the Order, along with the delivery of the Goods/Services
 - non-compliance of the Goods or performed Service with the technical documentation or applicable norms and legal provisions;
 - defective performance of ordered Services.
- In cases referred to in §4 Section 4 as well as other cases of refusal to sign the Final Acceptance Protocol the Ordering Party has the right to:
 - refuse to accept the Goods and/or Services. After refusing to accept the Goods and/or Services the Ordering Party shall have the right to demand from the Supplier to deliver new Goods free from defects and/or faults or to perform the Service again or, if possible, to carry out appropriate repairs of the Goods and/or Services within indicated time limit;
 - withdraw from the whole Order or from its part. In case of withdrawal from the part of the Order, the Ordering Party shall have all rights arising from the Order which he may exercise in relation to the part of the Order from which he has not withdrawn. The Ordering Party may exercise the right to withdraw from the Order within 30 days from the date on which one of the premises referred to in §4 Section 4 or another premise entitling to withdrawal have fulfilled (withdrawal shall be deemed to have occurred for reasons not attributable to the Ordering Party).
- All costs related to exercising the right of not accepting the Goods and/or Service shall be borne by the Supplier (e.g. transport of a rejected delivery and re-transport of defect-free delivery, repairs and costs related to them).
- Services or Goods shall be subjected to partial acceptance only if such possibility has been indicated in the Order. In other cases only final acceptance will be carried out. All acceptance shall be confirmed by an appropriate acceptance protocol (Final Acceptance Protocol or Partial Acceptance Protocol) signed by an authorized representative of the Ordering Party. In cases specified in the Order, the protocol shall be drawn up in accordance with the specimen applicable at the Ordering Party.

**§ 5
Price and terms of payment**

- Price specified in the Order is fixed and unchangeable (lump sum remuneration), in particular it includes all costs related to the delivery of the Goods/performance of the Service in accordance with the terms of the Order.
- The price referred to above is a net price to which VAT tax will be added to the extent and in the amount consistent with the applicable regulations.
- All payments related to the execution of the Order shall be made by transfer to Supplier's bank account indicated in the VAT invoice, within 60 days from the date of receipt by the Ordering Party of the invoice along with the relevant Acceptance Protocol signed by the Ordering Party, without any reservations, and other documents specified in the Order, unless it was decided otherwise in the Order. Any changes to the payment terms should be made in writing under pain of nullity.
- In case when Supplier's will is to receive a prepayment (advance payment) for execution of the Order, within 3 days from the date of Order acceptance, the Supplier is obliged to provide the Ordering Party, in order to verify Supplier's financial standing, Supplier's financial statement for the last financial year and F-01 report for the quarter preceding Order acceptance. If the documents listed above are not presented or if the Ordering Party recognizes that Supplier's financial condition does not guarantee a possible return of the prepayment (advance payment) in the event of improper performance or non-performance of the Order, the Ordering Party shall refuse to provide the advance payment (advance payment). Nevertheless, prepayment (advance payment) may be granted provided that the Supplier establishes accepted by the Ordering Party security for the return of the prepayment (advance payment).
- VAT invoice must be issued correctly, in accordance with the Polish provisions in force in this respect, once the grounds for invoicing actually occurred, separately for each Order. Partial invoicing is allowed only if such possibility has been indicated in the Order.
- The grounds for issuing an invoice will always be the Final Acceptance Protocol or Partial Acceptance Protocol signed, without reservations, by an authorized representative or alternatively, if it results directly from the Order: delivery note,

Handover Protocol or other protocol clearly specified in the Order. Moreover, depending on the subject of the Order, the appropriate protocol will be accompanied by quality documents drawn up in Polish as well as documents valid on the territory of Poland including among others: attestations, certificates, quality certificates, declarations of compliance, technical approvals, protocols of the verification tests and trials carried out, warranty documents, etc., and other documents required by the Order. The above mentioned protocol and documents will constitute an integral part of the VAT invoice. Lack of the above-mentioned documents and failure to indicate the number of the Order on the VAT invoice and on the relevant acceptance protocol shall entitle the Ordering Party to return the VAT invoice without posting, the claim specified in the VAT invoice will be treated as not required, and due to lack of payment the Supplier will not be entitled to claim any interest.

- Supplier shall deliver original of VAT invoice, along with relevant documents which were the grounds for its issuing, to the address indicated in the Order in the section "Purchasing Unit" within 7 days from the date of its issuance. Delivery of an invoice to a different address may cause delays in payment.
- Supplier's assignment of any receivables he is entitled to or any obligations arising from the Order to a third party is not permitted.
- Supplier's bank account indicated in the VAT invoice must be included in the list referred to in article 96b of the Goods and Services Tax Act dated March 11, 2004. If another account is indicated, the Ordering Party shall be entitled to withhold payments and the Supplier shall not be entitled to claim any interest in this respect as well as to repair of possible damage.

**§ 6
Warranty and statutory warranty**

- Supplier guarantees that:
 - has appropriate technology and necessary experience to execute the subject of the Order and has the professional qualifications required by the currently binding regulations for its execution and that he will perform the Order with the highest diligence in accordance with the principles of modern technical knowledge, requirements of technical and construction regulations and Polish Standards and other binding regulations applicable to the Goods and/or Services;
 - ensures proper quality of the Goods and/or Service;
 - all Goods and/or Services will be free from any defects and/or faults and claims by third parties.
- In case of absence of other provisions in the Order, the Supplier grants a quality warranty for the delivered Goods/provided Service and statutory warranty for defects, for the period of 24 months counted from the date of signing by the Ordering Party, without reservations, relevant protocol confirming the proper delivery of the Goods/performance of the Service.
- Parties agree that the warranty indicated above constitutes a quality warranty within the meaning of the Civil Code and is granted on the basis of the Order and these Terms and Conditions without the need to issue a separate warranty card.
- Under warranty the Supplier undertakes, in the event of disclosing defects and/or faults inherent in the executed subject of the Order, immediately, not later than within 2 days, to remove reported defects and/or faults and repair the defects and/or faults free of charge within the time limit set by the Ordering Party. If necessary, the Supplier shall remove defects and/or faults in a multi-shift cycle, overtime or on public holidays.
- In case of failure to remove defects and/or faults or in delay in their removal by the Supplier in relation to the set time limit or in case of their improper removal, the Ordering Party shall be entitled, at its discretion, to:
 - remove defects and/or faults on their own or have them removed by a third party at the Supplier's expense and risk, while retaining all rights under the warranty and statutory warranty granted by the Supplier;
 - withdraw from the whole Order or from its part. In case of withdrawal from the part of the Order, the Ordering Party shall have all rights arising from the Order which he may exercise in relation to the part of the Order from which he has not withdrawn. The Ordering Party may exercise the right to withdrawal from the Order within 30 days from the date on which one of the premises referred to referred to at the beginning of this entry have fulfilled (withdrawal shall be deemed to have occurred for reasons not attributable to the Ordering Party).
- In case of substitute removal of defects and/or faults in the subject of the Order, the Ordering Party shall be entitled to charge the Supplier with an additional amount corresponding to the equivalent of 2% of the subject of the Order.
- Substitute execution does not release the Supplier from his obligations and responsibilities (also resulting from the warranty and statutory warranty) and does not violate the rights and entitlements granted to the Ordering Party.
- The Ordering Party is entitled, at his own discretion, to exercise his rights under the warranty and statutory warranty.
- Warranty and/or statutory warranty period shall be extended by the time necessary to remove the defects and/or faults. In case of significant repairs in the subject of the Order, after completion of repair, the period of the warranty and statutory warranty shall run from the beginning, from the moment of removing the defects and/or faults.

**§ 7
Contractual penalties**

- In case of absence of other provisions, the Ordering Party shall be entitled to charge the Supplier the following contractual penalties:
 - for failure to meet any of the time limits specified in the Order - a contractual penalty in the amount equal to 1% of the Order value for each day of delay;
 - for failure to meet the time limit set to proceed with removal of reported defects and/or faults, as well as for failure to meet the time limit set for removal of the defects and/or faults - a contractual penalty in the amount equal to 0,5% of the Order value for each day of delay;
 - in case of withdrawal from the Order by either Party for reasons not attributable to the Ordering Party - a contractual penalty in the amount equal to 20% of Order value.
- The total amount of contractual penalties referred to in sec. 1 points a. and b. shall not exceed 100% of the gross remuneration specified in the Order (contractual penalties limit).
- In case when the actual value of the damage suffered by the Ordering Party exceeds the amount of the contractual penalty stipulated on the basis of the Order or the provisions of this Terms and Conditions, the Ordering Party shall be entitled to claim additional damages on general terms.

**§ 8
Additional arrangements**

- Ordering Party is entitled to control the status of the Order execution at any time and at any stage of its duration in order to verify the proper performance of Supplier's obligations and his liability. Inspections and tests may be carried out at Supplier's offices and plants or offices and plants of his subcontractors or sub-suppliers or in any other place where any part of the Order is executed, to which Supplier agrees. If it is necessary to carry out an inspection at the premises of Supplier's subcontractor or sub-supplier, Supplier undertakes to obtain the relevant consent of such entity.
- In matters related to the Order, Supplier is entitled to contact only the individuals indicated in the Order.
- Parties undertake to maintain secrecy on all confidential information of which they became aware during cooperation, both during the period of maintaining mutual economic relations as well as indefinitely after their termination.

**§ 9
Withdrawal from the Agreement**

- Besides of the right to withdraw from the Order arising from the mandatory provisions of law and provided directly in the other provisions of Terms and Conditions, the Ordering Party is entitled to withdraw from the Order in case when:
 - Supplier has not commenced execution of the Order without justified reasons or has aborted execution and does not continue it despite a written summons from the Ordering Party;
 - Supplier is in delay in relation to any time limit resulting from the Order and the delay period exceeds 14 days.
- Ordering Party may exercise their right to withdraw from the Order within 30 days from the occurrence of one of above mentioned premises.
- Withdrawal for the reasons referred to in Section 1 mentioned above shall be deemed to have occurred for reasons not attributable to the Ordering Party.

**§ 10
Final provisions**

- Supplier is obliged to comply with the requirements set out in:
 - General Terms and Conditions of Work for External Contractors;
 - Integrated Management System Policy.
 Above mentioned documents are available on the website of ZARMEN Sp. z o.o. (www.grupa-zarmen.pl) or are made available at Supplier's request by purchasing unit of the Ordering Party. Pursuant to Article 4c of the Act of March 8th 2013 on counteracting excessive delays in commercial transactions ZARMEN Sp. z o.o. declares that it holds the status of a large entrepreneur within the meaning of art. 4 item 6 of the above-mentioned law.
- In matters not covered in the Order and these Terms and Conditions, the provisions of the Civil Code and other legal acts relevant to the subject of the Order shall apply.
- In matters not regulated in the Order and these Terms and Conditions provisions of the Civil Code and other legal acts relevant to the subject of the Order shall apply.
- Legal relationship established on the basis of the Order is governed by Polish law and should be interpreted in accordance with it.
- Possible disputes arising from the provisions of the Order and these Terms and Conditions shall be settled by the common court of law having jurisdiction over the City of Gliwice.

**§ 11
Conflict-of-law rule**

- In case of discrepancies between the content of the Order and these Terms and Conditions, conditions specified in the Order shall prevail. In case of contradictions between the Terms and Conditions and General Terms and Conditions of Work for External Contractors, provisions of these Terms and Conditions shall prevail. Invalidity of any of the provisions of the Order and/or Terms and Conditions does not cause the invalidity of the Order and/or Terms and Conditions in the remaining part. In such a case Ordering Party will issue a written statement that shall replace the invalid provisions with new ones, which as far as possible shall reflect original intentions of the Ordering Party.

ZARMEN sp. z o.o.
Zastępca Dyrektora Handlowego

15.01.2022 r.

PROKURANT

Iwona Lisaj-Sykut