

## General Purchase Conditions

### 1. Scope; conclusion of contracts

1.1 These General Purchase Conditions shall apply to deliveries and provision of services, unless otherwise agreed by the parties. Other general standard terms and conditions, in particular the standard terms and conditions of suppliers, shall not apply, even if they are not expressly objected to or if the ordered goods or services have been accepted without reservation.

1.2 Orders and their acceptance must be in writing.

1.3 Oral agreements, of whatever nature, shall not be valid unless confirmed by Leadec Sp. z o.o. (hereinafter: Customer) electronically (e-mail) or by fax or in writing.

1.4 Any assignment of order fulfilment to third parties by the Supplier in full or in part shall require the Customer's prior written approval.

### 2. Delivery; consequences of failure to meet delivery times

2.1 Agreed delivery times shall be binding. The Customer shall be notified without undue delay in writing of any circumstances which prevent the delivery time from being met. The time the goods are received or the service is completed expressly confirmed in writing by the Customer shall determine whether the delivery time has been met.

2.2. Partial deliveries shall require the express consent of the Customer.

2.3 The Supplier shall guarantee that it will have the means to deliver further consignments of goods or spare parts for a period of 5 years from the last delivery of goods or spare parts. If the Supplier intends to discontinue supplying such goods or spare parts during or after this period of time, it shall inform the Customer in writing and give the Customer the opportunity to place last orders.

2.4 In the event of a delay, the Customer may – unless otherwise expressly agreed – demand a contractual penalty amounting to 0.5%, of the total order value for each full week by which the deadline is overrun, but a maximum of 5% of the total order value. The assertion of the contractual penalty shall not exclude the assertion of damages in excess thereof.

2.5 Acceptance of a delayed delivery or service shall not constitute a waiver of the right to compensation or to demand a contractual penalty.

2.6 In no case shall disruptions in the supply chain, even if the Supplier had no control over them, relieve the Supplier of liability for a delayed delivery or service.

### 3. Prices; terms of payment; transfer of risk

3.1 The prices indicated in the order are binding. Unless otherwise agreed, they are delivered duty paid (DDP) in accordance with Incoterms 2010, including packaging plus statutory value-added tax (VAT).

3.2 Invoices issued in accordance with the stipulations in the order must specify the order number and information regarding the ordered goods. The Supplier shall be responsible for all the consequences of failure to comply with this obligation, unless the Supplier can prove that the failure occurred through no fault of its own. An invoice may be issued after the delivery or performance of the service has been rendered.

3.3 Unless otherwise agreed, payment for the delivery of goods or for services rendered is payable within 30 days net from the delivery to the Customer of a VAT invoice that has been correctly issued (in accordance with Section 3.2).

3.4 The Supplier shall bear the risk of accidental loss and accidental deterioration of the goods until they have been accepted by the Customer or its agent at the place where the goods are to be delivered as stated in the order.

### 4. Acceptance

4.1 The delivery of services or goods shall be deemed to have been completed upon written confirmation of faultless acceptance by the Customer. If the inspection of the delivery of the service or product requires putting it into operation, acceptance shall take place after putting it into operation without defects. Acceptance shall take place at a location selected by the Customer or at the place of delivery.

4.2 Acceptance shall follow the issuing of a faultless acceptance certificate.

Payment to the Supplier does not constitute either an acceptance or an approval of the delivery item or performance, nor does it constitute a waiver of any claims to which the Supplier is entitled.

4.3 All costs of acceptance shall be borne by the Supplier.

### 5. Shipment

5.1 Notification of the shipment of the goods shall be given at the latest at the time the goods leave the Supplier's premises. The shipping address, order number and item number or other designation of the goods must be stated on the shipment papers, bill of lading and packaging. Consignments for which the Customer shall bear all or part of the costs shall be transported at the rates most favourable to the Customer (including freight rates) or in accordance with the Customer's shipping instructions. Cartage at the place of destination will not be paid. The shipping instructions, in particular the place where the goods are to be delivered, which is also the place of performance, shall be stated in the order.

5.2 In order to prevent damage in transit due to the cargo being secured inadequately or not at all, the Supplier shall have the cargo secured by the carrier collecting it.

### 6. Packaging

6.1 The Supplier undertakes to ship the goods only in packaging that is environmentally friendly and that

complies with the requirements of Polish and EU product packaging regulations.

6.2 Irrespective of whether the packaging concerned is transport packaging, retail packaging or any other type of packaging, the Supplier agrees to take it back from the Customer after use without any additional charge and to reuse the packaging for subsequent shipments or other uses, or to recycle it. The Customer undertakes to properly handle any reusable packaging received and to make it available to the Supplier free of charge in the best possible condition.

## 7. Notice of defects

The Customer shall endeavour to check incoming deliveries for their correct quantity, obvious damage in transit and obvious defects, insofar as this does not involve additional measures. The Supplier shall rectify any defects as soon as they are discovered.

## 8. Liability for defects

8.1 The Supplier warrants that the ordered goods or services are free from defects at the time of passage of risk to the Customer.

8.2 If the Customer informs the Supplier of the intended use and/or place of use of the goods or service, the Supplier warrants that its delivery and service are suitable for that use and place.

8.3 If a defect as to quality or a defect of title exists, the Customer shall be entitled to full statutory warranty claims without reduction.

8.4 If the Supplier fails to rectify the defects within the period indicated by the Customer, then the Customer is entitled to rectify the defects itself or to have the defects rectified by a third party at the Supplier's expense and risk. The Customer shall have the same right in the event of failure or refusal to rectify the defects.

8.5 If claims are asserted against the Customer by third parties in connection with the Supplier's delivery or service, the Supplier shall be obliged to indemnify and hold the Customer harmless at the Customer's first written request.

The obligation to indemnify the Customer shall relate to all expenses incurred by the Customer or by third parties.

8.6 The Supplier warrants the completed deliveries or services for a period of 24 months from the date of acceptance, unless otherwise agreed. If the Supplier fulfils its warranty obligations by supplying substitute products, services or installing new parts, the period of limitation shall run anew after the products, parts or services in question have been delivered.

The notice of a defect (including defects) suspends the limitation period for warranty claims regarding the respective delivery item.

8.7. The Supplier undertakes to bear all costs associated with the rectification of defects or faults, including installation and removal costs as well as transport costs to and from the place of destination. The Supplier represents that it holds liability insurance for the costs of installation and removal as well as for

transport costs to/from the destination with a minimum coverage of EUR 2,500,000.00 per damage event.

## 9. Software

9.1 The Supplier shall transfer all rights enabling any use of the software included in the scope of delivery, including its documentation, to the Customer as part of the remuneration, together with all technical requirements and scope allowing its use in accordance with the purpose of the contract and the law.

9.2 Before the software is delivered or installed on a system of the Customer or its end customers, the Supplier shall check the software for viruses, trojans and other malware using up-to-date, commercially available anti-virus software.

## 10. Quality assurance

10.1 The Supplier undertakes to warrant permanent quality assurance for its goods by means of appropriate quality certification, in particular ISO 9001 or other equivalent tests and quality controls normally used during the creation and after manufacture of its products. All tests and checks shall be documented.

10.2 The Customer shall have the right to require proof of the quality control certificates from the Supplier. It also has the right to carry out tests and checks on site, including, if applicable, at subcontractors' premises and to conduct audits at the Supplier's site.

10.3 The Supplier shall immediately inform the Customer in writing of any changes in the composition of the processed materials or in the design of the goods. Any changes shall require the written consent of the Customer.

10.4 The quality assurance policy disclosed to the Supplier by the Customer or the quality assurance arrangements concluded with the Supplier shall be part of this contract.

## 11. Requirements for marketing products; product liability

11.1 In the case of the delivery of products that fall under the scope of the guidelines for the internal markets of the European Union, such as the EC Machinery Directive, Pressure Equipment Directive, EMC Directive, the Supplier undertakes to comply with the relevant health and safety requirements and processes specified therein. The Supplier shall issue an EC Declaration of Conformity for its products and shall affix a CE marking, where provided for. In the case of partly completed machinery according to EC Machinery Directive No. 2006/42/EC, the Supplier shall provide the Customer with a declaration of incorporation according to Annex IIB of the EC Machinery Directive, in the form requested by the Customer (extended declaration of incorporation) and additionally provide instructions for use in accordance with Annex I No. 1.7.4 of the EC Machinery Directive. If requested by the Customer, the Supplier shall, at the Customer's discretion, either allow

the Customer to inspect the risk assessment created by it or shall provide it to the Customer.

11.2 The Supplier is obliged to indemnify and hold the Customer harmless from any liability related to claims for damages by third parties, in connection with products or services provided by the Supplier at the Customer's first request.

11.3 The Supplier is obliged to reimburse any expenses incurred by the Customer in connection with the claims specified in Section 11.2, including the costs of any product recall. Other claims of the Customer under the law, these Conditions, contracts or other sources remain unchanged.

11.4 The Customer advises the Supplier to pay for product liability insurance to cover the risks described in Sections 11.2 and 11.3, with coverage of at least EUR 2,500,000 per damage event.

## 12. Intellectual Property Rights

The Supplier shall be liable for claims resulting from infringement of intellectual property rights (including patent applications) arising during the performance of the contract. The Supplier shall indemnify and hold the Customer harmless, as well as its associates and clients, from any liability that may arise or has arisen in connection with claims related to possible infringements of intellectual property rights.

## 13. Work safety; protection of the environment

13.1 The Supplier shall ensure that its deliveries and/or services meet the applicable environmental protection, accident prevention and work safety or further security and safety regulations in order to avoid or reduce harmful impacts on human beings and the environment. To this end, the Supplier shall establish and continuously improve a management system that complies with ISO 14001 or equivalent acts. The Customer shall have the right, if applicable, to require proof and clarification of the management system used by the Supplier, and shall also have the right to conduct audits at the Supplier's site.

13.2 The Supplier has to comply with the regulations on the handling and placing on the market of hazardous goods as included in the EC Directive concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and Polish law.

The Supplier also has to observe the relevant provisions on the disposal of waste and recycling material and point out any product handling, storage and disposal requirements to the Customer.

## 14. Models and tools; confidentiality

14.1 Any models and tools which are produced at the Customer's expense shall become the property of the Customer upon payment for them. They shall be treated with the utmost care by the Supplier, indicated as property of the Customer and stored separately from the Supplier's other products, as well as insured at the Supplier's expense against external factors such as fire, water, theft, loss and other damage. Sale of goods produced from these models, tools and parts shall not

be permitted without the express written approval of the Customer.

14.2 Documents, drawings, plans and sketches as well as other know-how of the Customer which the Customer entrusts to the Supplier for carrying out the ordered delivery and/or service, in whatever form, remain the property of the Customer. They are trade secrets of the Customer and shall be treated as confidential. The Supplier undertakes to treat them with the utmost care, to make them available only to employees who need them for fulfilling the contract and to undertake to maintain confidentiality, not to make them available to third parties, to make copies of them only for the purpose of executing the order and to return all documents, including their copies, to the Customer upon completion of delivery.

## 15. Data protection

Under the terms of the Data Protection Act, the Customer is entitled to store, transmit, use, process and delete the Supplier's personal data in the course of the performance of any contract (including orders). All data will be sent to Leadec Sp. z o.o. ul. Toszecka 101, 44-100 Gliwice and stored there for the first time.

## 16. Export control

16.1 If requested by the Customer, the Supplier must submit a declaration corresponding to the requirements of Regulation (EC) 1207/2001. It must provide the Customer with this declaration in good time, at the latest on acceptance of an order. If long-term declarations are used, the Supplier must notify the Customer in writing of any changes in the originating status when an order is accepted. The actual country of origin must be stated on the shipping documents in all cases.

16.2 The Supplier must inform the Customer of any approvals required on the (re-)export of its products in accordance with the applicable customs regulations. For this purpose, the Supplier will, insofar as this was not already provided for in its offer, supply the following information at the Customer's request when the order is accepted:

- the commodity code (HS code)
- the export list number in accordance with Annexes I and IV of the EC Dual-Use Regulation (EC) No. 428/2009 in its valid version
- the Export Control Classification Number (ECCN) in accordance with the US export law.

16.3 At the request of the Customer, the Supplier shall be obliged to inform the Customer in writing of all further commercial data concerning the goods and their components, as well as to inform the Customer in writing of all changes to the data specified in Section 16.2.

16.4 If details in accordance with the previous sections are not provided or are provided incorrectly, the Customer shall, without prejudice to further rights, be entitled to withdraw from the contract.

### **17. Insolvency of the Supplier**

If the Supplier suspends payments to its contractual partners (including the Customer) or if the Supplier or one of its creditors files for insolvency or similar proceedings against the Supplier, the Customer can, without prejudice to its other statutory and/or contractual rights, terminate the contract with immediate effect.

### **18. Entrepreneurial responsibility; Code of Conduct**

The Supplier declares that it is fully responsible for all activities related to the production of goods and services (including sourcing and use of raw materials) and their distribution, and declares that it conducts its business in compliance with legal regulations, especially those concerning environmental protection, and that it complies with regulations regarding labour law and laws on the health and safety of employees, and that it does not employ children and does not use them for forced labour. By accepting the order, the Supplier further confirms that it shall not commit or tolerate any form of bribery and corruption and shall observe the provisions of the Code of Conduct applicable to the Customer.

### **19. General provisions**

19.1 The assignment of claims and obligations without the express

written approval of the Customer shall be excluded.

19.2 The relationship covered by these Conditions shall be governed by Polish law.

19.3 All disputes relating to relationships covered by these Conditions shall be settled by the common courts with jurisdiction over the Customer, but this does not exclude the Customer taking action against the Supplier before the court with jurisdiction over the Supplier.

19.4 In the event of conflict between these Conditions and the contract (including the order), the provisions of the contract shall take precedence.

19.5 Should individual provisions of these Conditions of Purchase become invalid, this shall not affect the validity of the remaining provisions.