

### § 1. Definitions

Whenever the provisions of these General Terms and Conditions of Sale refer to:

- 1) **Supplier** - this is to be understood as HYDRAPRES S.A. with its registered office in Solec Kujawski, entered in the Register of Entrepreneurs kept by the District Court in Bydgoszcz under KRS number: 172742, identified under NIP (VAT) number: 9532371196.
- 2) **Purchaser** - shall mean the other party to the Contract concluded with the Supplier;
- 3) **Contract** - shall mean any contract obliging the Supplier to provide a non-monetary service to the Purchaser, including a sales, supply, or service agreement;
- 4) **Price** - shall mean the monetary consideration reserved by the Contract for the Supplier;
- 5) **Tool** - shall mean the individual tool with which the Supplier manufactures the Goods to the Purchaser's purchase order, such as punches, dies, matrix, etc.
- 6) **GTS** - shall be understood to mean these General Terms and Conditions of Sale;
- 7) **Party** - shall mean the Supplier or the Purchaser, collectively referred to as the **Parties**;
- 8) **Goods** - shall be understood to mean any item supplied and delivered to the Purchaser by the Supplier in the performance of the Contract, including items manufactured to the Purchaser's order, components/spare parts, as well as the tangible result of a service performed.

### § 2. General Provisions

1. The GTCS shall apply to all Contracts, even if at the conclusion of a subsequent Contract they were not repeatedly communicated to the Purchaser, except for contracts, in the content of which the application of these GTCS was expressly excluded.
2. If any other general terms and conditions apply to the Contract, the GTS prevails. The Purchaser's general terms and conditions to the extent that they conflict with the Contract, or these GTS shall not apply between the Parties. To the extent permitted by the mandatory provisions, the application of Article 385<sup>4</sup> § 1 of the Civil Code is excluded in favour of the primacy of the application of these GTS.
3. If certain provisions of the GTS are inconsistent with the Contract, the Parties shall remain bound by the provisions of the GTS to the remaining extent.
4. If the legal relationship arising from the Contract is continuous, amendments to the GTCS shall be binding on the Purchaser from the first day of the month following notification of the amendment to the Purchaser, unless the Purchaser has terminated the Contract at the earliest notice.

### § 3. Contract Conclusion

1. The Contract is concluded as a result of placing the order by the Purchaser and its acceptance by the Supplier, or as a result of the signing of the contract document between the Supplier and the Purchaser. A purchase order accepted with any changes reserved by the Purchaser shall be binding on the Parties if the Purchaser does not object to the changes at the latest on the next working day after receipt of the Supplier's notification.
2. Purchase orders (statement of acceptance and other notices, respectively) may be submitted by the Parties in writing or by e-mail.
3. Purchase orders, unit calls and other notifications, as appropriate, shall be deemed to have been effectively made on behalf of the Purchaser if they are made by a person who has previously (in previous orders, respectively other notifications) acted for the Purchaser and the Purchaser has not disputed these actions

or even implicitly considered them to have been made on its behalf, until the Supplier has been expressly notified that the powers (authorisations) for this person have been revoked. This rule shall apply mutatis mutandis to correspondence sent from the e-mail address from which orders (notifications) were previously sent on behalf of the Purchaser - until notification of the obsolescence of this address.

4. Proposals, advertisements, price lists, brochures, catalogues that originate from the Supplier are for information purposes only and do not constitute an offer that binds the Supplier.
5. Unless otherwise expressly stipulated by the Parties in the Contract, the agreement or declaration by the Purchaser of a quantity forecast for the receipt of the Goods on a weekly basis, covering a period of more than one month (Schedule), shall entitle the Supplier to order material for the manufacture of the Goods in the quantities assumed in such Schedule for a period of the following 6 (six) months, and consequently shall also have the following effects:
  - 1) the Supplier's refusal to accept an order placed in accordance with the Schedule may only take place exceptionally, for valid and objectively justifiable reasons;
  - 2) any adjustment (reduction) of the Price agreed in the Contract, resulting from a decrease in the prices of production factors or a decrease in the indices adopted for the Price adjustment formula, shall apply at the earliest in respect of the Goods deliveries executed after exhaustion of the quantity (volume) assumed in the Schedule for such Goods for the half-year (6 months) in which the Price adjustment is made;
  - 3) The Supplier shall be entitled to produce the quantity of Goods stipulated in the Schedule one month in advance and, consequently, to demand acceptance of the Goods so produced also in the event of termination of cooperation or interruption of the Purchaser's ordering of such Goods, if such interruption exceeds three (3) months;
  - 4) The Supplier shall furthermore be entitled, in such an event, to require the Purchaser to repurchase (at the Supplier's purchase price) and collect all or part of the material ordered for the manufacture of the Goods, within the limits of the quantity arising from the Schedule for a period of 3 (three) consecutive months, and not used as a result of the termination or interruption of the cooperation.

### § 4. Delivery Documents

1. The delivery (release) of each lot of Goods shall be documented by a waybill, CMR, consignment note or specification of goods released, or other document used in deliveries.
2. Approvals, certificates, declarations of conformity or other documents proving the quality (characteristics) of the Goods shall be enclosed with the Goods to be dispatched, if such a requirement is indicated in the purchase order or contract.
3. On the day of delivery, the Supplier shall issue and send to the Purchaser an appropriate VAT invoice specifying the date and method of payment.
4. In the case of deliveries of Goods exported outside Poland, the Purchaser shall be obliged to send the Supplier a confirmation of export and acceptance of the Goods at the destination outside Poland, in accordance with the requirements specified by the Supplier in this respect. Failure to comply with this obligation within the timeframe set by the Supplier shall entitle the Supplier to charge a price increase and require the Purchaser to pay a surcharge of 23% of the price of the Goods to which the non-confirmation relates.
5. In the case of deliveries of Goods exported outside the territory of the European Union, the Purchaser shall be obliged to send the Supplier a document in which the customs office confirms the export of Goods from the EU customs territory, under pain of

a 23% price increase. Provisions of section 4 shall apply respectively.

#### § 5. Acceptance

1. In the event of any delay in the execution/delivery/collection of the Goods at the request of the Purchaser or due to circumstances attributable to the Purchaser (e.g., delays in payment resulting in withholding of the Supplier's services, the Purchaser's delay in accepting the Goods delivered), the Supplier may claim the Purchaser to pay storage costs at the rate of 1% of the net price of the Goods for each commenced week of storage. If such delay exceeds 30 days, the Supplier shall be entitled to claim payment of the price of the Goods despite their non-delivery.
2. Verification of the Goods quantities shall take place upon their delivery and acceptance, at the place of delivery, in the presence of the Supplier's representative and the Purchaser's representative (whereby any person engaged by the Purchaser, including a carrier acting on behalf of the Purchaser or a person engaged by the carrier to transport the Goods, shall be deemed to be such representative).
3. Any quantitative shortages of the Goods and apparent defects in the Goods (including damage to packaging) shall be specified on the delivery note, consignment note, or other document confirming the handover of the Goods. The Purchaser shall notify the Supplier of any hidden defects within 7 calendar days of their discovery.
4. In the case of delivery of the Goods transported or organized by the Supplier, the Purchaser shall, upon receipt, check that no mechanical or external (visible) damage to the Goods has occurred during transportation. Consideration of the complaint is conditional in this case on the damage being described in the delivery/release document (CMR, waybill, etc.). In the event of apparent loss, damage or defect of the consignment, the Purchaser shall in any case carry out the actions required by the carrier, such as annotating the transport document, drawing up a damage report in the presence of the driver and taking photographic documentation.
5. Failure to comply with the obligations described in sections 2 - 4 above shall result in the loss of right to claim for defects, deficiencies, or damages to which the negligence relates.
6. If non-conformities of the Goods with the Contract become apparent on acceptance, the Purchaser may refuse acceptance if the non-conformities are relevant. In the event of not relevant non-conformities, along with acceptance, the Supplier shall be obliged to rectify such non-conformities within an appropriate time limit to be set.
7. In the case of any non-conformities which do not prevent the use of the Goods, and which cannot be remedied or are particularly difficult or would require unreasonable costs, the Purchaser may only demand an appropriate reduction in the Price.
8. If the Supplier delivers a part of the ordered quantity of Goods, the Purchaser may not refuse to accept this part.

#### § 6. Complaints

1. The Supplier provides a quality guarantee and warranty on the Goods it manufactures for a period of 12 months from their release.
2. The Purchaser shall notify the Supplier of any defects as soon as they become apparent, under pain of losing any claims for such defects.
3. A defect in the Goods shall only be deemed to be a non-conformity of the Goods with their characteristics expressly indicated in the Contract, the agreed specifications or other documents issued by the Supplier.
4. In the letter of complaint, the Purchaser shall indicate the quantity of the Goods complained of, their type, order number, VAT

invoice number and lot number, item number, specific reason for the complaint and the Purchaser's expectations.

5. In the event of a complaint, the Purchaser shall be obliged to secure the Goods under complaint for the purpose of a possible visual inspection with the participation of the Supplier's representative and, if necessary, to make the Goods under complaint available for the purpose of appropriate tests.
6. If a complaint proves to be unjustified, the Supplier shall be entitled to charge the Purchaser with the costs of the complaint procedure, including the costs of travel, transport, and examination of the Goods.
7. The lodging of a complaint shall not release the Purchaser from any obligation to pay the Price of the Goods.
8. In the event of any defects in the Goods falling within the scope and within the period of the guarantee provided by the Supplier, the Supplier, after assessing the quality and accepting the complaint, shall be obliged to replace the Goods with defect-free Goods or refund the price paid for the defective and returned Goods, unless the Parties agree on an appropriate reduction in the Price.
9. The Supplier reserves the right not to accept a complaint in the event that the Purchaser fails to comply with the principles of the complaint procedure set out in the Contract, including these GTS.

#### § 7. Payments

1. Unless otherwise expressly agreed by the Parties, any Price that is included in a price list, purchase order, confirmation or other document is the Ex Works-Price (ex the Supplier's warehouse). This Price shall not include any cost of insurance, fees and duties, taxes (including value added tax - VAT), freight, unloading costs, which will be borne by the Consignee.
2. The Supplier shall add VAT and any other public charges to the Price in the amount resulting from the applicable legislation.
3. Price calculation and reconciliation is carried out under the assumption of stable economic relations. If, in the period between the conclusion of the Contract and the date of completion, the costs of performance (raw material prices, labour costs, production costs, taxes, exchange rates, etc.) increase by more than 10%, the Supplier shall be entitled to suspend further performance of his obligations until a change in the Price has been agreed.
4. In the event of delays in acceptance or payment of the Price exceeding 30 calendar days, the Supplier shall be entitled to withhold its own services until the delay has ceased. Furthermore, the Supplier may also in such cases terminate the Contract or respectively withdraw from the Contract in the part not yet fulfilled, as well as demand payment of a contractual penalty amounting to 10% of the Price that would have accrued to the Supplier if the Contract had remained in force and been fulfilled in accordance with the Schedule referred to in § 3 section 6. The above shall not limit the right to claim compensation on general terms for damage exceeding the amount of the reserved penalty, including reimbursement of costs already incurred for the execution of the Contract, as well as the exercise of the right described in § 3.6.3.
5. Any unfounded refusal to accept or to issue/sign a document which, in accordance with the Contract, is the basis for an invoice, shall not suspend the maturity of the Price.
6. Until the Purchaser has made full payment of the Price for the Goods, the Goods shall remain the property of the Supplier.
7. The Price shall be paid by bank transfer to the Supplier's account indicated in the Contract and, in the event of a change therein, to the Supplier's account indicated in the last written notification sent to the Purchaser.

8. If the applicable regulations make the Supplier's rights or obligations as a taxpayer or payer of tax resulting from the performance or payment of the Price dependent on obtaining a specific statement, certificate, information, or other document concerning the Purchaser, the Purchaser shall immediately provide such a document to the Supplier, at the latest within 3 working days from the Supplier's request. The Supplier shall be entitled to withhold its own performance until it has obtained this declaration, certificate, information, or document from the Purchaser.

#### **§ 8. Tools**

1. If the fulfilment of the purchase order involves the Supplier making the Tool with which the Goods are to be manufactured, the Purchaser shall be obliged to pay the Tool Price in advance. The Tools are then stored at the Supplier's premises for use in fulfilling the Purchaser's subsequent orders.
2. Agreeing to settle the cost of making the Tool by including it in the Price of the Goods, requires determining the cost of preparing the Tool and the minimum quantity (volume) of Goods to be produced with the Tool. If, within a period of 2 (two) years, counting from the order of the Tool, the Purchaser has not taken delivery of the minimum quantity of Goods so specified, the Supplier shall become entitled to claim payment (reimbursement) of the corresponding (outstanding) Tool manufacturing cost. The Supplier shall also be entitled to this in the event of early notification to the Purchaser of the cancellation of further ordering of Goods manufactured with the Tool, as well as the termination of the Parties' cooperation.
3. In the contract covering the manufacture of the Tool, the Parties shall specify the quantity (volume) of Goods for which the Supplier guarantees the quality and fitness for use of the Tool. If no such quantity is stipulated, such a guarantee is presumed to be given for a period of two years from the execution of the Tool.
4. The Supplier shall be entitled to refrain from manufacturing and consequently supplying further batches (quantities) of Goods once the quantity (period) covered by the guarantee granted for the Tool has been exhausted pursuant to section 3, respectively, until the Parties have agreed on the terms for preparing a new Tool or subjecting the previously used Tool to appropriate reconditioning.
5. The Supplier shall release the Tool to the Purchaser at any request of the Purchaser, but if there is any debt owed by the Purchaser to the Supplier, the Supplier may withhold release of the Tool until the debt is paid. In the case described in section 2, the Supplier may withhold the Tool until the cost of its preparation has been paid.
6. If, within a period of 2 (two) years from the date of the last order using the Tool, the Purchaser does not place another order requiring the use of the Tool or makes an earlier declaration of definite abandonment of the Tool, the Purchaser shall collect the Tool at its own expense from the Supplier's premises. The Supplier may also send such Tool at the expense of the Purchaser on the next delivery of the Goods unless the parties agree on the terms (including remuneration) for further storage of the Tool by the Supplier. If the parties do not agree on the Supplier's further storage of the Tool and the Purchaser does not take back the Tool placed at his disposal by the Supplier, the Purchaser shall lose ownership of the Tool and the right to claim the Tool, which the Supplier may use for his own purposes or dispose of at the Purchaser's expense.
7. In the case of Tools with which different Goods or different variants of Goods are manufactured simultaneously (e.g., symmetrical variants, mirror variants, etc.), the ordering of each consecutive batch (quantity) of Goods manufactured with such Tool is equivalent to the ordering of the same quantity of each of the Goods manufactured with that Tool.

8. The Purchaser shall ensure and be liable for his intellectual property rights, including his copyrights in the works, if any, according to which he orders the preparation of the Tool, as well as his industrial property rights, including his utility model or design registration rights, according to which he orders the Tool or the Goods. In such cases, the conclusion of the Contract shall be tantamount to granting the Supplier the authorisation to use these rights for the purpose of performing the Contract and to guaranteeing the Purchaser's protection of the Supplier against claims by third parties for infringement of their intellectual property rights.

#### **§ 9. Personal Data Protection**

1. Each Party to the Agreement shall process the personal data provided by the other Party in a manner consistent with the applicable provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons in relation to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (GDPR).
2. The Purchaser (as a data controller) entrusts the Supplier with the processing of the personal data it has collected in accordance with applicable laws and regulations, located in the Supplier's ICT system, including data concerning the Employees and contractors of the Purchaser.
3. The Supplier, for the purposes and to the extent not exceeding the activities necessary for the execution of the Contract, is authorised to process the entrusted data in electronic form.
4. The Supplier shall process the entrusted personal data only for purposes related to the performance of the Contract and only to the extent necessary to fulfil its purposes.
5. The personal data entrusted to it under the Contract will be processed at the Supplier's premises. If the Supplier processes the data at another location, it is obliged to inform the Purchaser of this in writing before processing at the other location.
6. The Supplier shall apply technical and organisational measures aimed at ensuring adequate protection of the personal data entrusted for processing, appropriate to the risks and the category of data protected, against their disclosure to unauthorised persons, acquisition by an unauthorised person, processing in breach of the law, and against alteration, loss, damage, or destruction.
7. Only the Supplier's employees with a personal data processing authorisation may be allowed to process personal data provided hereunder.
8. The Supplier is furthermore obliged to:
  - 1) to provide the Purchaser, at its every request, with information on the processing of the personal data entrusted. In particular, the Supplier undertakes to provide immediate information on any breach of its obligations regarding the protection of personal data by the Supplier, its employees, associates or third parties to whom the Supplier has entrusted data processing;
  - 2) to inform the Purchaser without delay of any action relating to the personal data hereunder before the Inspector General for Personal Data Protection, government offices, the police, or the courts;
  - 3) enable the Purchaser to carry out an inspection at the sites where the entrusted personal data are processed, at the date agreed by the Parties, but no later than within 7 calendar days of the date on which the Purchaser notifies the Supplier of its intention to carry out an inspection, to verify the correctness of the processing and securing of the personal data;
  - 4) to return to the Purchaser upon termination of the Contract any media containing the entrusted personal data or to permanently remove them from the media which cannot be returned to the Purchaser (unless the obligation to store the data results

from generally applicable laws). The obligation to delete data also applies to any copies of data made by the Supplier.

9. The Supplier shall, in the event of a personal data breach being identified, immediately report this to the Purchaser, no later than within 24 hours of the breach being identified.

#### **§ 10. Force Majeure and Limitation of Liability**

1. A Party shall not be liable for non-performance or improper performance of the Contract caused by a force majeure event (obstacle) if it immediately notifies the other Party of the event and documents the occurrence of the event and the duration of the obstacle.
2. Force majeure shall be understood as an event beyond the control of the Party under its influence, or as an unforeseen obstacle occurring outside the ordinary course of events, whether related to the Supplier's activities or those of its sub-suppliers or subcontractors, e.g. earthquake, fire, flood, hurricane, explosion/explosion, action of the elements, accident, war, threat of war, mobilisation, riot, rebellion, sabotage, terrorist attack, insurrection, civil unrest or requisition, epidemics, riots, strikes, road-blocks, imposed embargoes, official decisions of authorities and public administrations, industrial accidents, unforeseen interruption of energy or raw material supplies.
3. If the period of force majeure lasts longer than 30 days, the Parties may at their discretion (i) jointly agree on a further course of action to fulfil their obligations under the Contract or (ii) withdraw from the Contract.
4. Apart from the claims expressly stipulated in the Contract (and its appendices), the Purchaser shall not be entitled to any further claims against the Supplier, apart from claims that cannot be effectively limited by the will of the parties.
5. Notwithstanding the above, the Supplier shall only be liable to the Purchaser for direct losses and shall not be liable for indirect damages, including those resulting from downtime, or lost profits.
6. Irrespective of the basis of the Purchaser's claims, the total liability of the Supplier for improper performance of the Contract (including defects in the Goods) shall not exceed ten times the price of the Goods concerned by the improper performance of the Contract, with the proviso that such liability shall be extended to the extent (up to such limits, amounts, claims, etc.) to which it is covered by the insurance cover provided to the Supplier under its liability insurance contract.

#### **§ 11. Confidentiality**

1. The Parties shall keep the provisions of the Contract, as well as all information acquired in connection with its execution, confidential, including:
  - a. personal data within the meaning of the GDPR,
  - b. information constituting the Party's business secrets.
2. The parties are obliged to use the information listed in section 1 above only for the purpose of implementing the Contract.
3. The obligation of confidentiality does not apply to information, which is generally known, or information made available at the request of an authority which, according to the applicable legislation, is entitled to request the disclosure of such information.
4. The obligation of confidentiality shall apply for as long as the information remains confidential, in accordance with the legal provisions in force in this regard, but for a period of no less than 5 years from the date of transmission.
5. Each Party may only disclose the information referred to in paragraph 1 above to persons who will be involved in the performance of the Contract. The Party undertakes to inform such persons of their obligations under the preceding paragraphs and to undertake to comply with them. The Party shall be liable for any breach of confidentiality by such persons.

6. The obligation of confidentiality shall cease to the extent that the disclosing Party consents in writing to the disclosure.

#### **§ 12. Correspondence**

1. Any current agreements, instructions, notifications, notices, etc., concerning the execution of the Contract may be made in writing or by e-mail to the addresses of the parties indicated in the Contract and, in the case of written notification of a change in the data indicated in the Contract, to the address last indicated by the Party.
2. Persons designated by a party in the Contract as its representatives shall be deemed to be authorised to make and accept on behalf of the party the statements referred to in section 1.
3. The use of e-mail does not apply to declarations on a change of the bank account relevant for the payment of the Price, a change of the Party's representative or a change of the Party's correspondence address. These actions must be in writing under pain of nullity.
4. The provisions of subsection 3 shall also apply to additions or amendments to the Contract concluded in writing, except for amendments to the GTS, of which the Purchaser may also be effectively notified by e-mail.

#### **§ 13. Final Provisions**

1. If the Purchaser fails to perform or improperly performs any of its obligations under the Agreement, as well as if a petition for bankruptcy is filed against the Purchaser, or if it is declared bankrupt, liquidated or dissolved, the Supplier shall have the right (at its sole discretion) to immediately: terminate the Contract in whole or in part, withdraw from the Contract in whole or in part (until one month has elapsed from the agreed deadline for performance of the Contract), or suspend its performance in whole or in part.
2. The Purchaser may not assign any rights and obligations under the Contract without the prior consent of the Supplier, expressed in writing under pain of nullity.
3. The possible invalidity of certain provisions of the Contract, including the GTS, shall not affect the validity of the remaining provisions, which shall remain in force and be binding on the Parties.
4. The agreement is governed by the law of Poland. Any disputes arising out of or in connection with the Contract shall be exclusively settled by the Polish common court with jurisdiction over the Supplier's registered office.