

GENERAL TERMS AND CONDITIONS OF PURCHASE OF GOODS AND SERVICES

I. GENERAL PROVISIONS.

1. The purchase of all goods and services as well as the conclusion of contracts for specific work and construction works contracts by the company under the business name SILEKOL Spółka z ograniczoną odpowiedzialnością, hereinafter referred to as SILEKOL, may only take place with the General Terms and Conditions of Purchase.
2. The General Terms and Conditions of Purchase may be modified, amended or some of them excluded from use in orders or annexes to orders.
3. Any waiver of the application of the General Terms and Conditions of Purchase may only take place with the written consent of SILEKOL.
4. SILEKOL's waiver of the application of strictly defined terms and conditions of purchase in special cases shall only be binding for a specific order.
5. In the event of a possible conflict between the provisions of SILEKOL's General Terms and Conditions of Purchase and the Supplier's General Terms and Conditions of Sale, the provisions of SILEKOL's General Terms and Conditions of Purchase shall prevail, unless the Parties have agreed in writing another way to resolve conflicts.

II. TERMS AND CONDITIONS FOR THE CONCLUSION OF THE CONTRACT.

1. The moment of concluding the contract is the moment when SILEKOL receives a copy of the order or another document on which the Supplier, acting through its representatives, confirms acceptance of the order for fulfilment under the terms and conditions resulting from both the content of the order and the provisions of these General Terms and Conditions of Purchase.
2. An amendment to SILEKOL's general and specific terms and conditions of purchase, made by the Supplier without an agreement with SILEKOL, shall not be binding upon SILEKOL and may result in the cancellation of an order previously placed by it without the right to compensation to the Supplier. Any amendments can only be made in the form of a written statement.
3. Orders can be confirmed by the Supplier only in two forms: in writing or by fax.
4. The commencement of the fulfilment of SILEKOL's order by the Supplier shall be deemed as the full acceptance of the General Terms and Conditions of Purchase and specific terms and conditions of SILEKOL's order.

III. PRICE/REMUNERATION RATE.

The Parties shall be bound by the prices specified in SILEKOL's order accepted by the Supplier.

IV. DELIVERIES.

1. A delivery note should contain the complete number and date of SILEKOL's order, range and quantity of goods delivered.
2. If the Supplier is in delay with the delivery of goods (performance of ordered services), SILEKOL shall have the right to withdraw from the contract without any compensation to the Supplier. The withdrawal decision shall be in writing and shall be immediately enforceable.
3. Acceptance of goods or services shall be confirmed by a document in the form of an acceptance report.

V. SUPPLIER'S LIABILITY.

1. The Supplier shall be liable to SILEKOL for any defects, including hidden defects in the goods or services it provides.
2. All technical, constructional and technological data as well as plans and designs provided to the Supplier by SILEKOL shall be used by the Supplier only and exclusively to fulfil the order. The Supplier shall not be entitled to make these data available, publish or transmit them without the consent of SILEKOL to any other entity.

VI. ACCEPTANCE.

The Supplier shall present all documents concerning the delivery, in particular: approvals, certificates, manufacturer's warranties, operating instructions, declarations of conformity and other documents specified in the order at the latest on the date of acceptance.

VII. PAYMENTS.

1. Invoices shall meet the requirements of the VAT Act, shall be issued in 2 copies and shall contain the number and date of SILEKOL's order. Invoices shall include the name and address of the carrier.
2. Payments shall be made in accordance with the specific terms and conditions set out in SILEKOL's order. The starting date for the payment period shall be the date on which SILEKOL receives the Supplier's invoice.

VIII. PROTECTION OF PROPERTY.

The use of the goods provided by the Supplier shall not constitute infringement of a patent, trademark, registered utility model, Polish or foreign symbol or other industrial and intellectual property rights. If they are infringed, the damage caused to SILEKOL must be compensated.

IX. ADDITIONAL OBLIGATIONS OF THE SUPPLIER REGARDING THE PROVISION OF SERVICES.

1. The costs of materials and equipment needed to perform the services shall be borne by the Supplier, unless the specific provisions of the Order provide otherwise.
2. The Supplier's employees or other persons participating in the performance of the work on its behalf shall comply with the rules of order in force at SILEKOL's premises.
3. The Supplier must provide SILEKOL with a written list of persons performing works on its behalf as well as a list of the means of transport which must enter SILEKOL's premises in connection with the performance of the work. SILEKOL shall issue them with entry passes.
4. Entrusting by the Supplier the performance of works covered by the order to third parties requires the prior written consent of SILEKOL in order to be valid.
6. Where the subject of the order is construction work, the provisions of following paragraphs shall apply to the rules on the use of subcontractors' services.
7. Any subcontracting of construction work covered by the order requires the written consent of SILEKOL in every such case in order to be valid, subject to the provisions of this Article.
8. The Supplier shall submit, within 14 days of order acceptance, draft contracts with subcontractors together with a part of the documentation concerning the performance of works specified in the contract.

9. Within 14 days of receiving the drafts referred to in paragraph 8 above, SILEKOL may object to the conclusion of the contract with the subcontractor. In such a case, the Supplier shall be obliged to present a new subcontractor within 7 days from receiving the objection.

10. If the objection concerns the terms and conditions of the contract with the subcontractor, the Supplier may, within 7 days from its receipt, make amendments to the contract in accordance with SILEKOL's instructions.

11. In the absence of an agreement between the Supplier and SILEKOL regarding the persons of the subcontractor or the content of contracts to be concluded with them, SILEKOL shall be entitled to withdraw from the contract.

12. If the Supplier informs about its intention to use subcontractors after receiving the design documentation, and the Parties hereto fail to agree within 7 days from the date of notifying SILEKOL of such intention as to the person of the subcontractor or the terms and conditions of the contract concluded with it, or if the Supplier entrusts the performance of works to subcontractors without the consent of SILEKOL, SILEKOL shall be entitled to withdraw from the contract and entrust the works covered by it to a third party at the expense and risk of the Supplier.

13. The Contractor shall also be obliged to observe occupational health and safety standards in force on the Customer's premises, as well as order. The document (concerning, among others, occupational health and safety rules and fire safety regulations) referred to in the preceding sentence shall be handed over to the Contractor before the commencement of works.

14. In the case of construction works contracts, the Supplier (Contractor) undertakes to perform the subject of the contract in particular in accordance with:

- the design documentation and technical specification,
- Polish Construction and Industry Standards,
- general technical conditions of performance,
- the regulations of the construction supervision and relevant services.

IX.15. The Supplier's (Contractor's) commencement of the performance of the construction works contract means that it has familiarised itself with the design documentation and technical specification, considers it to be a sufficient basis for the performance of the subject of the contract and means a declaration that it has not made any comments on the design documentation, the scope of works and the condition of the construction site.

IX.16. Silekol shall not be liable for the omission of any work in the design documentation and technical specification.

IX.17. The Supplier (Contractor) shall be fully responsible for the calculation of remuneration for the subject of the construction works contract in accordance with the design documentation and technical specification.

IX.18. In the case of construction works contracts, the Supplier (Contractor) undertakes to pay liquidated damages, with the possibility of claiming compensation pursuant to general provisions of law, if the amount of the liquidated damages does not fully cover the damage caused.

IX.19. The liquidated damages referred to in clause IX.18. may be charged and claimed by Silekol in particular in the following situations:

- if the Supplier (Contractor) fails to provide a performance bond on time, in the amount of 5% of the gross remuneration of the Supplier (Contractor),
- if the Supplier (Contractor) fails to perform the works scheduled for partial or final acceptance on time, in the amount of 0.5% of the gross remuneration of the Supplier (Contractor) for each day of delay.

Individual construction works contracts may provide for liquidated damages other than those specified in these General Terms and Conditions.

X. QUALITY GUARANTEE.

1. For the delivered goods (performed service) the Supplier shall grant a warranty for the period which starts from the date of signing the acceptance report (warranty period). The length of the warranty period shall be specified in the order by SILEKOL.

2. The Supplier shall remove the defect or damage at its own expense within 5 days from the date of its written notification by SILEKOL or within any other period indicated in the complaint notification not shorter than 5 days. The warranty period for all items replaced in the course of repair shall run from the time of replacement. In the case of repairs, the warranty period for the defective or damaged item shall be extended by the time during which the repair was carried out.

3. If any defect or damage occurs during the warranty period, SILEKOL shall notify the Supplier thereof in writing or by fax. If the Supplier fails to remove the defect or damage within the time limit specified in clause 2 above, SILEKOL may remove the defect or damage itself or have it removed by a third party in both cases at the expense and risk of the Supplier, while retaining a claim for the repair of damage resulting from the Supplier's failure to perform the provisions of this Agreement.

XI. WITHDRAWAL OF THE ORDER.

SILEKOL shall have the right to withdraw the placed order or to withdraw from the concluded contract in whole or in part with notification to the Supplier and without additional call to the Supplier to perform the obligation in the following cases:

- (a) opening of liquidation by the Supplier as well as cessation of its further activity,
- (b) demerger by the Supplier of its enterprise, merger with another enterprise or transfer of the Supplier's enterprise,
- (c) the Supplier's failure to meet any of its obligations resulting from specific terms and conditions set out in the order or the General Terms and Conditions of Purchase.

XII. INSURANCE.

The Supplier shall be obliged to enter into an insurance contract for the liability amount not lower than PLN 1,000,000.00.

XIV. NO ASSIGNMENT.

The Supplier may not transfer its rights and obligations arising from the sale of goods and services under the terms and conditions of SILEKOL's order and these General Terms and Conditions of Purchase without the prior written consent of SILEKOL.

XV. NOTIFICATIONS.

All notifications resulting from the General Terms and Conditions of Purchase may be made by fax or registered letter and shall be deemed to have been made on the date of confirmation of their receipt by the addressee.

XVI. DISPUTE RESOLUTION.

1. Any contract or legal act made between the Supplier and SILEKOL as part of these General Terms and Conditions of Purchase shall be

governed by Polish law.

2. In the case of making international purchases to which the provisions of international law apply, the Supplier and SILEKOL agree to exclude them from their agreements concluded between them to the extent that these provisions as they read exclude or contradict these General Terms and Conditions of Purchase.

3. Any disputes arising from the purchase of goods or services shall be settled by the Courts having jurisdiction over SILEKOL's registered office.

**SILEKOL Spółka z ograniczoną odpowiedzialnością, 47-220 Kędzierzyn-Koźle, Ul. Mostowa 30K
KRS 0000225788, NIP 7491969061, share capital: PLN 45,400,000.00, fully paid up**