



GENERAL TERMS AND CONDITIONS FOR PURCHASE OF GOODS AND SERVICES

“Limatherm Sensor” Sp. z o.o. with its registered office in Limanowa

Article 1 General provisions

- 1.1 These General Terms and Conditions for Purchase of Goods and Services (hereinafter referred to as the “GCPs”), shall apply to purchase agreements entered into between an entrepreneur, hereinafter referred to as the "Supplier", and Limatherm Sensor Sp. z o.o. with its registered office at the following address: 34-600 Limanowa, ul. Skrudlak 1, NIP No. [Tax ID No.]: 7371966189, KRS No. [National Court Register No.]: 0000201394, hereinafter referred to as the "Buyer".
- 1.2 In the event of concluding a written agreement or making separate written arrangements between the Supplier and the Buyer, the provisions of the agreement or arrangements, which exclude or modify the provisions of the GCPs accordingly, shall apply first.
- 1.3 A written form shall also be observed with regard to e-mail correspondence sent to the addresses agreed between the Parties.

Article 2 Placing orders

- 2.1 The Supplier shall undertake to supply the Buyer with products and goods, hereinafter referred to as the "Goods" and/or render services, hereinafter referred to as the "Services", in accordance with the written orders placed by the Buyer each time.
- 2.2 The Supplier shall be obliged to confirm the acceptance of the order within three working days following the receipt thereof, whereby a failure to reply within the specified time limit shall be construed as the acceptance of the order with no amendments or remarks whatsoever.
- 2.3 By confirming the order, the Supplier shall be deemed to have accepted these General Terms and Conditions of Purchase.

Article 3 Declarations of the Supplier

- 3.1 The Supplier shall declare that the Goods supplied constitute his property, are free from any rights of third parties and other legal defects, in particular that there is no pledge established on these Goods, they are not subject to any transfer of ownership to third parties, and furthermore, that no judicial proceedings, proceedings to secure claims or enforcement proceedings are pending against them.
- 3.2 The Supplier shall declare that the delivered Goods and Services are in compliance with the legal requirements currently in force as well as with the principles of health and safety at work and environmental protection regulations.
- 3.3 The Supplier shall not transfer the right to fulfil the order to third parties without the written consent of the Buyer.

- 3.4 The Supplier shall undertake to provide designated representatives of the Buyer with the access to examine and check the applied production methods and quality control at each stage of the fulfilment of the order.
- 3.5 The Supplier shall undertake to notify the Buyer immediately of any changes planned with respect to the specification of the Goods, in particular any modifications concerning raw materials and semi-finished products used for the manufacture thereof, as well as the manner (technology) of manufacturing the goods supplied, including modifications of the place of manufacture.
- 3.6 Upon the request of the Buyer, the changes mentioned hereinabove shall be duly documented.

Article 4

Delivery and acceptance of the Goods

- 4.1 Delivery of the ordered Goods shall be carried out under **DAP-Limanowa** shipping terms (the warehouse of the Buyer), in accordance with INCOTERMS 2020.
- 4.2 The Goods shall be delivered in non-returnable individual and/or collective packaging appropriate for a given product, in particular ensuring the protection against damage or destruction thereof.
- 4.3 For each delivery, the Supplier shall attach the specification of the contents of the shipment together with a set of necessary sales documents, including required approvals, certificates, quality certificates, operating and use manuals, guarantee cards, waybills and invoices - unless the Parties accept that the invoices shall be sent electronically.
- 4.4 The Supplier shall be obliged to indicate the number of the order placed by the Buyer in each document (in particular in the shipping specification, letter of consignment and invoice).
- 4.5 Should the Supplier deliver the Goods which are defective, incomplete, inconsistent with the requirements specified in the order or in information or advertising materials, offers or other assurances, the Buyer shall be entitled to refuse to accept a given delivery in whole or in part, as well as to raise objections, within 4 weeks following the date of delivery, with a request to return or replace the Goods.
- 4.6 The Supplier shall take a stance on the Buyer's objections within 7 days under the penalty of considering them as legitimate.
- 4.7 In the event of delivery of the Goods referred to in sec. 4.5, and when the Buyer makes a decision to return them, the Supplier shall be obliged to collect the Goods at its own expense from the place indicated by the Buyer. Should the Supplier fail to collect such Goods within the prescribed time limit, the Buyer shall be entitled to charge fees for the storage and protection thereof, if any, whereby it shall notify the Supplier of the amount of such fees in advance. If the delay in collection of the Goods by the Supplier exceeds 30 days, the Buyer shall be entitled to the disposal thereof at the cost of the Supplier.

Article 5

Penalties for contractual non-performance

- 5.1 In the case of delay in the delivery of the Goods, the Buyer shall be entitled to the contractual penalty, paid by the Supplier, in the amount of 2% of the net value of the undelivered goods for each day of delay.
- 5.2 Should the delay in the delivery of the Goods exceed 14 days, the Buyer shall be entitled to withdraw from the agreement and to charge the Supplier with a contractual penalty for non-fulfilment of the order in the amount of 30% of the value of the delivery that was not carried out, whereby the penalty may be aggregated with the contractual penalty for delay referred to in sec. 1, accrued until the date of withdrawal from the agreement.

- 5.3 The contractual penalties specified hereinabove shall be without prejudice to the possibility for the Buyer to seek, from the Supplier, an additional compensation on general terms exceeding the penalty due.
- 5.4 The Buyer shall be entitled to statutory interest for delayed payments from the Supplier.

Article 6

Implied warranty and guarantee

- 6.1 The Supplier shall grant the Buyer an implied warranty and guarantee for the delivered Goods under general terms, whereas the period thereof shall not be shorter than 24 months.
- 6.2 The implied warranty and guarantee time limit shall be commenced as of the date of the collection of a given batch of the Goods by the Buyer.
- 6.3 The liability of the Supplier under the implied warranty and guarantee shall also refer to hidden defects of the Goods. Hidden defects shall also be construed as such faults of the Goods which are revealed only during the processing thereof or using it in a normal production process.
- 6.4 The Supplier shall be obliged to take a stance on a complaint received within 7 days, unless it is necessary to carry out laboratory analysis of the questioned Goods. In such a case, the Supplier shall immediately notify the Buyer about the fact.
A failure to reply within the specified time limit shall mean that the complaint is recognised in full.
- 6.5 Should a complaint be justified, the Buyer shall decide on the manner of settlement thereof at its sole discretion, in particular it may:
 - a) request that the Goods be replaced with non-defective products at the expense of the Supplier,
 - b) return the questioned Goods at the expense of the Supplier and request the Supplier to issue a corrective invoice,
 - c) request that the price of the Goods be reduced and that the Supplier issues a corrective invoice.
- 6.6 The costs of any tests of the questioned Goods carried out by an independent laboratory approved by both Parties shall be borne in full by the Party for which the result is unfavourable. The result of such analysis shall be legally binding.

Article 7

Selling Price

- 7.1 The selling price of the Goods shall be determined on the basis of the offer submitted by the Supplier, price bargaining between the Parties and optionally in accordance with a written agreement concluded between them.
- 7.2 Otherwise, the selling price shall be determined on the basis of the price list of the Supplier applicable as of the date of placing the order, with due discounts and reductions.
- 7.3 For the avoidance of misunderstandings, the purchase price of the Goods accepted by the Buyer shall be indicated in each order. Alternatively, the Buyer shall refer to a valid price list or a specific offer made by the Supplier.
- 7.4 The selling price concerning the order accepted for fulfilment cannot be changed regardless of possible increase in costs of production and delivery of the Goods, including the costs related to the purchase of raw materials, electricity, fuel, transport, staff remuneration, changes in currency exchange rates, etc. The above proviso, however, shall not cover the increase or decrease of the price due to the change of the binding VAT rate.
- 7.5 The invoice should be issued in the currency stated on the order.

Article 8

Terms of payment

- 8.1 Time limit for payment for the purchased Goods shall be 30 days.
- 8.2 Time limit for payment shall commence as of the date of the collection of the Goods by the Buyer together with all documents required thereby.
- 8.3 The payment shall be made on the basis of the invoice issued by the Supplier, however, the date of receipt of the invoice by the Buyer cannot be shorter than 21 days from the payment time limit. Should the aforementioned deadline be exceeded, time limit for payment shall be extended accordingly.
- 8.4 If the Buyer receives an incorrect invoice, the time limit for payment shall be extended accordingly by minimum 7 days following the date when the Buyer receives a correctly issued invoice.
- 8.5 The payment shall be made by a bank transfer to the bank account indicated by the Buyer or by mutual offsetting of receivables.
- 8.6 The date of payment shall be the date of debiting the bank account of the Buyer.

Article 9

Assignment

The parties agree that the assignment of their receivables to a third party may only take place upon the written consent of the contractor.

Article 10

Confidentiality

- 10.1 For the purposes of these GCPs, the term "Confidential Information" shall mean the following: information concerning the terms and conditions of the agreement or the performance thereof, all the information obtained by the Supplier during or in connection with the undertaken or planned cooperation with the Buyer under any legal or factual basis, all information, know-how, as well as financial, commercial, operational and technical data (including those relating to invention projects within the meaning of the Industrial Property Law of 30 June 2000), any research, analyses, studies and plans relating to the business activity, including business plans of the Buyer and its associates, all other information with the exception of those which, at the time of being disclosed or transferred, are expressly specified by the Buyer as not being subject to confidentiality.
- 10.2 Should the transmission of information be made in an ambiguous manner as to the confidentiality thereof, the information shall be deemed confidential.
- 10.3 Confidential Information shall include information disclosed or provided by the Buyer, as well as the employees, associates, attorneys-in-fact, advisors, consultants or agents thereof, collectively referred to as "Representatives", as well as information acquired as a result of the observations made by the Supplier during a visit at the Buyer's registered office.
- 10.4 The Supplier shall keep all the Confidential Information received secret in accordance with the provisions of these GCPs and shall use it exclusively for the purposes related to the cooperation undertaken with the Buyer. He shall not use this Confidential Information, in whole or in any part, for any other purposes. In particular, the Buyer shall not disclose such information to any third party.
- 10.5 The Confidential Information and the obligation of confidentiality shall not include:
 - a) commonly known information,

- b) information where the obligation for the disclosure thereof arises from imperative legal provisions, however, with the proviso that in each such a situation the Supplier shall be obliged to:
- ✓ immediately inform the Buyer of the obligation to disclose the Confidential Information for the benefit of the persons in respect of whom the disclosure shall take place or has taken place, unless it would be contrary to the applicable legal provisions;
 - ✓ disclose only such part of the Confidential Information as may be required by law.
- 10.6 The obligation of confidentiality referred to in these GCPs shall apply as from the moment the Buyer obtains the first Confidential Information and shall remain in force throughout the period in which the information is of economic value, however for no less than 10 years in respect of each piece of Confidential Information obtained, as from the date of acquisition thereof, unless the Buyer releases the Supplier from confidentiality upon a prior written request.
- 10.7 The release from the obligation of confidentiality may only be made in writing under the penalty of nullity.

Article 11 Disputes

- 11.1 Any disputes related to the performance of this Agreement shall be settled amicably by the Parties in the first place.
- 11.2 If amicable resolution cannot be reached, disputes shall be settled by a common court with jurisdiction over the registered office of the Buyer (domestic orders) or by the Court of Arbitration at the Polish Chamber of Commerce in Warsaw in accordance with Polish law (foreign orders).

Article 12 Applicability

- 12.1 The regulations contained in these GCPs pertaining to the sale of the Goods shall apply to the Services rendered by the Supplier accordingly.
- 12.2 These GCPs shall be effective as of 22 February 2021.

Annexes:

1. Annex no. 1 - Catalogue of Compliance Clauses


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Prezes Zarządu
Zbigniew Juskiewicz