Purchasing goods and services by Messer Eutectic Castolin Sp. z o.o. (hereinafter: MEC) with a registered office in Gliwice shall be on terms set out in hereby General Terms of Purchase (hereinafter 'GTP').

## §2

# Definitions

The terms used in hereby GTP shall have the following meaning:

- a) MEC Messer Eutectic Castolin Sp. z o.o. with a registered office in Gliwice, ul. Leonarda da Vinci 5, 44-109 Gliwice, registered at the Entrepreneurs' Register of the National Court Register maintained by the District Court in Gliwice, X Commercial Department of the National Court Register under KRS 0000137485, NIP 6311674749, REGON 273229857, share capital: PLN 5 000 000,00;
- b) Seller a natural person, legal entity as well as an organizational unit without legal personality whom the Act has given legal capacity, that concluded a Contract related to Goods/ Services with MEC or that accepted an Order for Goods or Services for execution filed by MEC;
- c) Order an offer of purchase of Seller's Goods or Services filed by MEC in writing, through fax or e-mail, which contains MEC's guidelines as to the ordered Goods or Services or terms of Order's realization as well as an estimate accepted by MEC or Seller's offer;
- d) Order 's Confirmation Seller's statement on Order's acceptance in unchanged content, filed at MEC in writing, through fax or e-mail together with the confirmation of name of Goods or Services, quantity, a unit price, proper MEC's address data necessary to issue a VAT invoice and tax identification number ('NIP') (NIP in EU for foreign transactions), contact data on the part of the Seller, Order's realization date, form of payment and terms of Order's delivery, MEC's order number or data of an ordering person;
- e) **GOODS** Seller's products and any items and objects offered by the Seller, including the ones under a delivery contract;
- f) Services services rendered by the Seller;
- g) Contract each contract concluded by MEC with the Seller, in particular the Contract of Sale of Seller's Goods and the Contract on rendering Services by the Seller;
- Force majeure any events impossible to predict, in particular: war, riots, coups, earthquakes, fires, floods, strikes and any other events which may obstruct or prevent regular supply, production, delivery of Goods or rendering Services;
- Protocol an acceptance protocol by MEC of Contract's subject matter, a delivery note, a VAT invoice or other confirmation of Contract's realization issued by the Seller, signed by MEC's representative or accepted by MEC without reservations.

## §3

#### Subject matter and scope

- The General Terms of Purchase shall be applied for the realization of all Orders filed by MEC and other MEC's statements of will related to purchase of Goods or Services offered by the Seller. As of an Order is filed by MEC, the GTP become an integral part of the Contract and shall be in force throughout the whole term of the Contract. The Seller or a person authorized to act on his behalf, by accepting an Order or accepting its realization, confirms that they know it and accept the GTP.
- 2. The General Terms of Purchase shall be delivered to the Sellers in writing, in particular with an Order or a Contract. The GTP are deemed delivered to the Seller, if these GTP are referred to in the Order or the Contract together with indication of MEC's website, where GTP's full content is made available.

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- These GTP are available on MEC's website (<u>https://www.castolin.com/pl-PL/) - in a way the Seller could</u> store and reproduce GTP in the ordinary course of business.
- 4. Any deviations from the provisions in GTP require a written form and do not revoke the remaining terms of GTP.
- 5. Seller's trade terms different from the terms set out in GTP are not binding upon MEC also when explicit reservations against them have not been reported by MEC. To avoid any doubts, MEC's consent to use Seller's trade terms shall not derive from the fact that MEC has refrained from commenting Seller's trade terms.
- 6. If the Seller provides MEC with his general terms of contracts, they shall be applicable in a part in which they can be accommodated with GTP. In the event of discrepancies of provisions of Seller's general terms of contracts and GTP, the mutually exclusive clauses shall be deemed non-binding.
- 7. Any kinds of oral or phone arrangements made by MEC's employees shall be binding upon the Seller, only if they have been confirmed in writing or in an e-mail form by persons authorized to act on his behalf, and only if they have been included in an Order or change to the Order sent by MEC.
- 8. In the event of discrepancies between provisions of an Order or a Contract and GTP, provisions of the Order or the Contract shall prevail.

# §4

# Personal data protection

MEC is an administrator of personal data of persons participating in realization of the Contract. The detailed information in this scope can be found at <a href="https://www.castolin.com/pl-PL/klauzula-informacyjna">https://www.castolin.com/pl-PL/klauzula-informacyjna</a>.

# §5

#### **Contract and General Terms**

- 1. Conclusion of the Contract is as of the Confirmation of an Order by the Seller with reservation of points 3 and 4 below.
- 2. If the Seller, within 3 days from handing over an Order by MEC, does not accept and refuses to accept it for realization, the Parties agree that the Order has been confirmed and accepted by the Seller for realization on terms and within timeframes set out in it. An Order may be cancelled by MEC at any time until the Order is accepted by the Seller.
- 3. In the event an Order is accepted by the Seller with major changes or reservations (e.g. as to price or extension of Contract's realization date), the Contract is concluded at the time MEC confirms that it accepts the confirmation (offer) with changes or reservations filed by the Seller. If, within 5 working days, the Seller does not receive information that MEC accepts the confirmation (offer) with major changes or reservations, the Contract is deemed not concluded.
- 4. In the event an Order is confirmed by the Seller with minor changes or reservations (e.g. as to the change of realization of one stages of rendered Services without change of a completion date of Contract's realization, or subcontracting part of the Contract to a subcontractor, if prohibition to subcontract is not set out in the Order), the Contract is concluded at time MEC confirms that it accepts the confirmation (offer) with changes or reservations filed by the Seller. If, within 5 working days, the Seller does not receive information that the Contract or confirmation, the Contract is deemed concluded in line with Sellers remarks.
- Changes to an Order on the part of the Seller, which content deviates from the Order filed by MEC, shall be treated as Seller's new offer and their written confirmation is required by MEC.
- MEC is empowered to change an Order or a Contract within quantity, quality and delivery date of Goods or Services at any time, until realization of the Order/ Contract is completed.

Additionally, MEC may suspend realization of an Order or a Contract for the period set out by MEC or cancel it in whole or in part, without providing grounds, in writing 14 days in advance.

- 7. Ownership rights and intellectual property rights to any projects, drawings, samples and other documents delivered to the Seller by MEC shall remain on the part of MEC, i.e. they are not transferred in any scope into the Seller, unless provided otherwise in the Contract.
- 8. During the term of the Contract, the Seller shall be insured within the scope of the conducted business activity, including damages in connection with the execution of the Contract (contractual and tort liability). At MEC's request, not later than within 7 days from the reception of a relevant call, the Seller is obliged to provide MEC with relevant insurance policies or other documents confirming possession of proper insurance within due time. The insurance policies indicated above shall ensure payment of damages in amounts necessary to repair incurred damage.

## §6

## Terms of payment and invoices

- 1. Unless provided otherwise in an Order or a Contract, the price indicated in Order's Confirmation received by MEC, is the price agreed in line with agreed delivery terms Incoterms 2010. The price is inclusive of all taxes (excluding VAT tax), contributions, insurance and any other costs incurred by the Seller in connection with realization, including costs of packaging, protection, fixing and all the necessary documents (including certificates and approvals), accessories, devices or tools necessary for complete and functional use and maintenance of Goods or realization of Services. Moreover, the prices shall include any fees for the use of intellectual property rights, including also the rights of third persons.
- 2. Due payment shall be realized by MEC in a form and on due date agreed with the Seller on the grounds a VAT invoice issued correctly by the Seller, received by MEC together with required documentation confirming acceptance and proper execution of the subject matter of an Order/ Contract. If the Seller delivers an invoice without the required documentation, MEC shall have the right to suspend its payment until the missing documents are supplemented. Payment date shall be extended by the number of days which lapsed until complete documentation is received.
- 3. If delivery of Goods or Services is not realized in full scope, in line with the Contract or when the Seller issues an incorrect VAT invoice or an invoice with missing data listed in point 5 below, MEC shall be entitled to send the invoice back without entering it into books or suspend payment until the Seller fulfils completely the duties derived from the Contract without Seller's right to calculate interest rates for delay in payment. It does not limit MEC's right to execute contractual penalties or pursue damages.
- If a VAT invoice is not rejected by MEC, it does not mean that MEC has accepted it. Payment of an invoice also does not mean that MEC confirms conformity of Goods/ Services with the Contract.
- 5. A proper VAT invoice shall be issued by the Seller in line with the applicable law provisions, moreover it shall contain the following data:
- number of an Order/ Contract given by MEC or surname of an ordering party on the part of MEC;
- terms and due payment date compliant with an Order/ Contract, including bank data necessary for the transfer.
- 6. Unless an Order or a Contract provide otherwise, in the event of transaction with a domestic entity, when the amount of remuneration is set out in a foreign currency, it shall be subject to conversion into PLN on the basis of art. 31a of the Act of 11th March 2004 on the value added tax.
- The Seller represents that he is an active value added tax payer (VAT) and has a tax identification number (NIP), or is an exempted value tax payer (VAT). The Seller has the duty to indicate a European Tax Identification Number for intracommunity transactions.

# §7

#### Delivery and acceptance of Goods

- 1. Deliveries of Goods shall be on terms set out in an Order sent by MEC in line with Incoterms 2010.
- 2. Any non-standard costs which may appear during realization of an Order shall be incurred by the Seller, unless set out otherwise in the Contract.
- 3. The Seller shall notify MEC immediately, however not later than within 3 days from the acquiring of information, about any situations which may affect promptness of Goods' delivery. However, the above information shall not release the Seller from the duties set out in the Contract.
- 4. The Seller, 3 days prior to the agreed shipment date at the latest , shall send MEC a letter of notice providing the following data: Contract (Order) number, way and expected date of shipment, shipment specification including number, weight, dimensions and content of packaging together with any instructions necessary for proper transport and unloading of Goods.
- The Seller shall provide the following documents (irrespectively of the documents for settlement purposes between the Parties) together with Goods:
- an original copy of an invoice in a paper or electronic form;
- shipment specification including number, weight, dimensions and content of packaging;
- complete technical documentation necessary for proper assembly of Goods on the site of usufruct and proper start-up, operating and servicing containing construction and assembly drawings together with necessary details related to mechanical, control and measurement and electric parts, etc.;
- material certificates;
- certificates of analyses, samples and operation permits required by law regulations applicable on the territory of the Republic of Poland and European Union;
- instruction of proper usufruct and storage of Goods in Polish;
- other documents agreed with MEC.
- Delivery date is understood as the date of handover Goods to MEC at the place set out in an Order or a Contract and confirmation of this fact with a document confirming actual delivery of Goods.
- 7. Change of realization's date of the Contract requires MEC's written form for its validity.
- Partial deliveries, unless agreed otherwise, require MEC's written consent. In the event of partial deliveries, delivery date shall be the date of realization (handover to MEC) of the final partial delivery.
- Goods are deemed undelivered, if all the documents necessary for the realization of shipment as well as the required documentation and certificates are not delivered in a manner allowing MEC familiarization with their content.
- 10. MEC may refuse to accept Goods, if due to incompleteness of shipment documents or bill of lading, it is impossible to assign delivery to a given Order or it entails significant costs, as well as when Goods are damaged or do not correspond with the specification set out in the Order/ Contract.
- 11. The Seller undertakes to deliver Goods in packaging adjusted to their type, way of transport and storage. Each packaging unit shall contain, on the external part, clear information in line with shipment requirements as well as any instructions related to given storage terms. The above information shall contain in particular: Order's number, batch number, MEC's exact name, delivered quantity and gross and net weight.
- 12. Unless an Order or a Contract provide otherwise, in the event of imported Goods, the Seller is liable for marketing authorization within European Union customs zone in line with the applicable regulations.
- 13. Unless an Order or a Contract provide otherwise, in the event of delivery of Goods from the territory of European Union, the Seller is obliged to meet any requirements derived from the

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European Union law provisions.

- 14. Transfer of risk or loss or damage of Goods into MEC takes place at the time Goods are accepted (quantitative and qualitative acceptance) at Goods' destination and simultaneous handover of the documents related to given Goods, which are referred to in section 5 above, by the Seller.
- 15. The Seller guaranties that at the time of entering into the Contract/ acceptance of an Order, he will have ownership title to Goods and its transfer into MEC shall take place together with the conclusion of the Contract in a form free of any pledges, encumbrances or any other claims.
- 16. MEC has the right to carry out control to check progress of Contract's realization by the Seller or carry out examination and quality tests of Goods, informing the Seller about the above fact with a 3-day notice period. If the realization of the subject matter of the Contract takes place at the subcontractor's, the Seller shall obtain permission for MEC to carry out control or examination at that place.
- 17. If the subject matter of the Contrct is not ready to be controlled or examined at the agreed place and time, or MEC establishes that the subject matter of the Contract is defective or otherwise not corresponding with the terms set out in the Contract, MEC may reject the subject matter of the Contract which shall be confirmed with a protocol. In such case the Seller shall remove defects or irregularities with the Contract within timeframe agreed with MEC.
- 18. If a control or examination shows defects or irregularity of the subject matter of the Contract with the terms of the Contract, the Seller shall return MEC the expenses connected with another control or examination. MEC is entitled to set-off potential expenses connected with so called control or examination from remuneration due to the Seller in connection with due execution of the Contract.
- 19. Carrying out of control or examination by MEC does not release the Seller from liability for non-execution or improper execution of the Contract. The Seller shall bear full liability for any damages, direct or indirect, as well as for lost profits on the part of MEC in connection with non-execution or improper execution of the Contract. Moreover, the Seller undertakes to participate in dispute between MEC and a third party, if dispute includes the subject matter of the Contract. Costs of participation in such dispute shall be incurred by the Seller. Prior to the delivery of Goods, the Seller is obliged to inspect Goods as to conformity with specification, quality, weight and physical dimensions set out in an Order, as well as control as to damages of Goods or their packaging. Goods shall be packed to avoid being damaging during transport or moving. All the elements shall be labelled properly, i.e.. in line with applicable terms (in particular as to Goods), in line with MEC's guidelines, as well as they shall have number of an Order/ Contract, Seller's identifying data, item number, delivery place, description of an item, weight and amount and they shall have all the labels required for proper realization of Goods' delivery and assembly.

## § 8

# **Rendering of Services**

- 1. Any non-standard expenses connected with the realization of Services which may occur during the realization of the Contract shall be incurred by the Seller, unless agreed otherwise in the Contract.
- 2. The Seller shall notify MEC immediately about any situation which may affect promptness of Services' realization. However, the above information does not release the Seller from obligations set out in the Contract.
- 3. In the event of services rendered in favour of MEC, it is adopted that:
- value of Services is included in the price of an Order/ contract;
- any additional costs connected with rendered Services, in particular costs of accommodation, business trips, insurance of persons, who are used by the Seller for the realization of the Contract, shall be incurred by the Seller.
- 4. Unless provided otherwise in the Contract, execution of Services by the Seller shall be confirmed by an acceptance

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2.

protocol.

- The Seller is obliged to use and provide personnel who have relevant qualifications for proper and prompt execution of Services.
- 6. If realization of Services requires personnel of the Seller and MEC, the Seller shall be liable for correctness of guidelines and instructions given by persons whom he uses at the execution of the Services.
- 7. The Seller shall be liable for damages derived as the result of actions or negligence of persons whom he uses in the realization of Services.
- 8. The Seller ensures that Services are executed properly and in line with the content of an Order/ Contract as well as with the generally applicable regulations and norms.
- 9. The Seller shall oblige the persons whom he uses in the execution of the Contract to observe regulations applicable in MEC's plant as well as he shall provide any necessary permissions to execute works under Services. Persons whom the Seller uses in the realization of Services at MEC's plant are obliged to observe plant's by-laws, including Health and Safety regulations.
- 10. The Seller shall bear liability for actions or negligence of persons whom he uses in the realization of t Services and he undertakes to take over all MEC's obligations against thirst entities or repair damages caused by improper actions or negligence of Seller's personnel or subcontractors who are used by the Seller. In particular, the Seller is liable for damages or loss of products (which belong to MEC or third entity), which were delivered to the Seller in order to realize the Contract. Moreover, the Seller undertakes to take part in dispute between MEC and third entity, if dispute includes the subject matter of Contract's realization. Costs of participation in such dispute shall be incurred by the Seller.
- 11. If the subject matter of the Contract is defective or in other way not corresponding with the terms set out in the Contract, MEC may refuse to accept the subject matter of Services, which shall be confirmed with a relevant protocol. In such case, the Seller shall remove defects or irregularities within 7 days from the refusal to accept the subject matter of the Contract or within other timeframe agreed with MEC.

# § 9

## Realization date of Contract's subject matter

- 1. Date of planned shipment of Goods or realization of t Services shall be agreed in line with the date accepted by MEC and provided in Seller's Confirmation of an Order.
- 2. MEC reserves the right to change planned date of Contract's realization in cases which are irrespective of MEC, which the Seller will be informed about in writing.
- 3. Date of Contract's realization is deemed met when:
- Goods/ Services with all the required documents have been delivered to the place indicated be MED in an Order, which is confirmed with a Protocol signed by MEC; MEC reserves the right to verify/ control delivered Goods/ Services upon their reception from the Seller or in the event of a longer storage period in a warehouse – prior to commencement of their use, assembly and treatment.
- In the event of change of planned realization date of the Contract by MEC, the Seller shall store an item of delivery without additional costs for MEC within timeframe indicated by MEC.

# § 10

# Security of Contract's realization

 If the Seller fails to meet delivery dates of Goods set out in the Contract, delivery of required documentation, realization of Services or removal of defects of Contract's subject matter, regardless of the reason of non-execution or improper execution of an obligation, MEC has the right, without prior notice, to charge the Seller with contractual damages – from the date of ineffective lapse of any of the agreed timeframes.

Unless agreed otherwise in the Contract, penalties set out

above constitute 0.5% of the total price of Contract's subject matter for each day of delay, however no more than 100% of the total price of Contract's subject matter.

- The applied contractual penalties do not breach other entitlements and legal means which MEC is entitled to within realization of the Contract.
- 4. MEC may pursue damages exceeding the amount of reserved contractual penalty on general terms.
- 5. The Seller, at MEC's request, will submit, within 30 days from the conclusion of the Contract, security of proper execution of the Contract in a form of irrevocable, unconditional bank or insurance guaranty in the amount of 20% of Contract's gross value with the expiry date of Contract's realization date agreed with MEC + 3 month. Text of the guaranty is subject to prior acceptance by MEC within 7 days from the filing of a draft of the said guaranty by the Seller. In the event of extension of Contract's realization, the Seller is obliged, within 14 days from the above extension, to extend the guaranty period by an extension period of Contract's realization and present MEC a relevant document without necessity to send a separate call by MEC.

## § 11

## Quality guaranty and warranty

- The Seller guaranties proper and compliant with MEC's Order execution of Contract's subject matter. The guaranty is granted for the period not shorter than 12 months from the date acceptance protocol is signed without reservation by MEC, unless the Contract provides different date of commencement, effectiveness and term of the guaranty.
- The Seller guaranties that Contract's subject matter delivered or realized on the grounds of an Order/ Contract is compliant with the specification, drawings and any other requirements included in an Order/ Contract and the ones derived from generally applicable law provisions.
- Each replacement or repair, even partial one, shall renew the course of a guaranty and warranty for the all the repaired Goods or Services.
- Moreover, the Seller undertakes to provide availability of 4. Services and Goods as well as their subassemblies, components or spare parts, in line with specifications throughout the term of the Contract as well as for thirty (30) years from the date of termination of realization of a last Order, unless agreed otherwise in an Order/ Contract. If the Seller is not able to meet such obligation, he undertakes to notify MEC about this fact immediately, not later than within 7 days from appearance of the said circumstances, as well as transfer into MEC, within paid remuneration, the ownership of any drawings, technical documentation, special tools, etc. regardless of a carrier which they are registered on, in a way enabling MEC realization of this obligation. The Seller is also obliged, within timeframe indicated above, to present MEC an offer of sale of Seller's devices and machines, which he used to realize the subject matter of the Contract, with reservation that the offer is valid for at least 60 days from its filing. If the Seller is unable to meet the obligation indicated in the first sentence for reasons attributable to him, MEC shall be also entitled to realize the subject matter of the said obligation through third entities, at Seller's expense and risk.
- 5. The Seller guaranties that Contract's subject matter will be compliant with an Order, free of defects and faults as well as:
- it will meet any technological requirements necessary for its proper application in line with the Contract;
- it will be executed in line with applicable regulations, norms and UDT/TDT requirements;
- in the event of Goods and within the scope having application for Services, it will be made of proper material suitable for the purpose which MEC informed the Seller about at the conclusion of the Contract;
- it will have properties which an object of this kind should have regardless of the purpose marked in the Contract or arising from circumstances or allocation;
- it will have properties which the Sellers assured MEC about, General Terms of Purchase ver.1.0 Messer Eutectic Castolin Sp. z o.o.

including presentation of a sample or template.

- 6. Irrespectively of the entitlements derived from the guaranty, MEC may execute any entitlements derived from the warranty with consideration of hereby GTP provisions.
- MEC shall have the right to control Goods on the grounds of a bill of lading and as to transport damages. MEC shall notify the Seller immediately about the noticed quantity or quality deficiencies and appearance of possible damages in transport.
- In no case, control, approval or acceptance of Contract's subject matter shall release the Seller from liability for defects or other negligence in meeting Contract's requirements.
- If defects of Contract's subject matter are noticed, MEC shall be entitled, at own discretion, to request immediate removal of confirmed defects, delivery of Contract's subject matter free off defects, lower the price of Contract's subject matter or withdraw from the Contract.
- The Seller is obliged to remove defects of Contract's subject matter immediately upon complaint from MEC is received, not later than within 14 days or other timeframe agreed with MEC.
- 11. The Seller, when removing defect, shall also pay the costs connected with Logistics, disassembly and reinstallation of elements connected with Contract's subject matter.
- Removal of defects shall each time be confirmed with the drawing up of a protocol of defect's removal signed by MEC without reservations.
- 13. In the event of ineffective lapse of timeframe set out for removal of defects of Contract's subject matter, MEC may commission removal of defects to a third person at Seller's expense and risk, without losing rights derived from the guaranty or warranty, and the Seller is obliged to pay for the costs connected with it within timeframe indicated in the call for payment sent by MEC.
- 14. MEC, upon prior notification of the Seller, has the right to remove defects within own scope, including with help of a third entity, if removal of confirmed defects is necessary to avoid further damages or has to be carried out immediately. Costs incurred by MEC for these purposes shall be returned by the Seller.
- 15. The Seller cannot refuse to remove defects of Contract's subject matter due to the amount of costs connected with it.
- 16. Any quantitative or qualitative complaints entitle MEC to suspend payments for the realized delivery of Goods or Services as well as to set-off from due receivables, which are to be paid by MEC for Goods or Services.

# § 12

## **Rights of third persons**

- The Seller guaranties that Goods, their sale as well as rendered Services do not exceed or breach rights of thirds persons. The Seller undertakes to secure and release MEC from liability for any claims and damages derived from breach of rights of third persons. At MEC's request, the Seller is obliged, at own cost, to indemnify and hold MEC harmless against any claims which are referred to above.
- If Goods or Services become the subject matter of claims by the virtue of breach of rights of third persons, then the Seller, upon agreement with MEC, is obliged either to obtain for MEC the right to use Goods or Services, or modify or exchange Goods/ Services to remove the breach, without prejudice for conformity of Goods/ Services with an Order.

# § 13

## Safety and protection of environment

- Persons executing provisions of the Contract, carry out works at MEC's plant are obliged to:
  - observe law regulations within Health and Safety;
  - apply internal regulations and instructions of MEC;
  - act and ensure any terms of an Order/ Contract.
- 2. An entity rendering Services within construction, disassembly, renovation of facilities, cleaning of tanks or devices and

cleaning, maintenance and repairs or other works at MEC's plant is obliged to manage waste in line with regulations on environmental protection. Waste manufacturer is obliged to apply norms and raw materials and material which prevent production of waste or allow to keep their amount the possibly lowest level as well as limit negative influence on environment or danger for life or people's health.

#### §14

## Compliance with law provisions

- The Seller is obliged to observe and ensure that all the directors, managing personnel, employees, contractors, subcontractors, suppliers and representatives observe applicable law regulations, including the ones related to corruption, money laundering, bribes, tax evasion, economic sanctions, registrations, estimates, granting permissions and relevant restrictions within chemicals (REACH Regulation) and Health and Safety.
- 2. Moreover, the Seller shall neither undertake actions nor contribute to undertaking actions deemed illegal or contradictive with the law.
- 3. The Seller guaranties that (1) he has not handed over, (2) has not agreed to hand over, (3) will not hand over directly or through his own personnel or other entities acting on his behalf any commissions, fee accelerating the course of a case or incentives related to realization of the Contract.
- 4. The Seller is obliged to undertake any necessary actions in line with good industrial practises to prevent any unfair actions which could be undertaken during realization of the Contract.
- 5. The Seller is obliged to defend, safeguard and protect MEC, its affiliated units and companies as well as his personnel and personnel of affiliated units and companies before liabilities, damages, actions, court proceedings, claims and other penalties derived from the breach by the Seller of his obligations and guaranties or undertakings which are referred to in hereby article.

## § 15

# Improper execution of the Contract and right of withdrawal

- MEC has the right to withdraw from the Contract, if on the part of the Seller there are financial difficulties which may result in his insolvency, in particular if Seller's liquidation proceedings have been initiated, enforcement proceedings against the Seller have been commenced or there are prerequisites to file a motion to start bankruptcy proceedings. The above entitlement is vested within 30 days from the time of learning about the occurrence of the above mentioned circumstances.
- 2. In the event of non-execution or improper execution of the Contract by the Seller, MEC has the right to withdraw from the Contract for reasons attributable to the Seller upon setting out additional timeframe to realize the Contract with danger that in the event of ineffective lapse of timeframe, MEC shall be entitled to withdraw from the Contract within 30 days from the lapse of the said timeframe.
- 3. MEC reserves the right to withdraw from realization of the Contract within 30 days from the delivery of the Goods or realization of the Services, if in MEC's opinion delivered Goods or rendered Services have defects preventing proper execution of the Contract. If the above defects of Contract's subject matter appear during realization of an Order, MEC reserves the right to withdraw from realization of the Contract within 30 working days from the appearance of defects and to charge the Seller with incurred costs.
- 4. In the event of withdrawal from the Contract for reasons indicated in point 4 above, the Seller is not entitled to any claims against MEC. In the event of delivery of Goods, the Seller is obliged collect Goods immediately at own expense and risk.

## § 16

## **Force Majeure**

- 1. The Parties do not bear against each other any liability for damages, calculated penalties or other obligations which may occur as direct result of the fact that a given Party could not execute or executed its obligations deriving from the Contract with delay due to Force Majeure.
- A Party affected by Force Majeure is obliged, within 14 days from the occurrence of Force Majeure, to inform the other Party about the lack of possibility to realize an Order/ Contract or possible delay, taking all efforts – trade justified – to mitigate effects of such Force Majeure.
- Cases of Force Majeure empower MEC to extend a date of realization of an Order or to withdraw from realization of the Contract, however the Seller is not entitled by this virtue to any claims against MEC.
- 4. Withdrawal from realization of the Contract may take place within 30 days from the occurrence of Force Majeure.
- A Party referring to the existence of Force Majeure is obliged, within 14 days, to notify the other Party about the existence of Force Majeure.
- 6. If the Seller refers to occurrence of Force Majeure, then MEC has the right to purchase similar Goods or Services from alternative sources; in such case MEC shall be released from duty to purchase Goods/ Service from the Seller.

# § 17

## **Final provisions**

- 1. Neither Party may transfer or assign its rights or obligations derived from the Contract (including the rights to receive payment) without prior written consent of the other Party.
- 2. Each Contract or legal action made between MEC and the Seller under hereby GTP shall be governed by Polish law.
- 3. Disputes derived in connection with the execution of GTP shall be settled by the court having jurisdiction over MEC's registered office.
- 4. In the event of sale of Goods and or rendering Services internationally, for which international law provisions are applied, MEC and the Seller agree on to exclude their application for contracts concluded by them in such scope in which these provisions in their wording exclude application or are contradictive with hereby GTP.
- 5. In the event of sale of Goods or rendering Services internationally, English language shall be the language of communication in which MEC will communicate with the Seller in a written and oral way. Communication may be in an official language relevant for the registered office of MEC, the Seller or other one mutually agreed, however English language shall be the basic language for communication.
- 6. Application of the Convention of Contracts for the International Sale of Goods and the Convection on Limitation Period in the International Sale of Goods is excluded.
- 7. In the event any of the provisions of GTP is declared to be void or invalid, it shall not affect validity or effectiveness of its remaining provisions. The Parties shall undertake to replace an invalid or void provision by the valid and effective provision, which in its financial and commercial effect, is approximate as closely as possible to the intention of the void or invalid provision, with reservation of provisions of art. 58 § 3 of the Civil Code.