



General Terms of Purchase of Progress ECO S.A. in Dobrów

DEFINITIONS

The following terms shall be used in these terms of purchase (GTP) of goods and services:

- "Buyer" means **Progress Eco S.A.** with registered office in Dobrów, address: Dobrów 7, 28-142 Tuczepy. KRS 0000934920.
- "Supplier" means a natural person, a company or any other entity to which an order is made for the purchase of Goods,
- "Goods" means all the of raw materials, materials, parts of prefabricated elements, goods or devices purchased by the Buyer for procurement needs, as well as services rendered on request of the Buyer,
- "Order" – means Buyer's purchase order,

1. GENERAL PRINCIPLES

These General Terms of Purchase are an integral part of all orders placed by the Buyer to the Supplier. Any derogation from the General Terms of Purchase requires joint written acknowledgment by the Buyer and the Supplier in order to be valid. The General Terms of Purchase apply to all supplies of goods and services resulting from mutual business relationships between the Buyer and the Supplier. When making an order, the Supplier agrees to the General Terms of Purchase in their entirety. If the Supplier does not agree with the General Terms of Purchase, he must immediately notify the Buyer in writing before acknowledging an order. In this case the Buyer reserves the right to withdraw the order without any negative financial consequences for the Buyer.

2. CONFIRMATION AND ACCEPTANCE OF ORDERS.

Acceptance of each order should be confirmed in writing by the Supplier within max. 3 days after receiving it. Written acknowledgment shall be a paper document, facsimile or e-mail sent by the Supplier to the Buyer. Acceptance of the order shall mean that the Supplier has acquainted with these General Terms of Purchase, which are published at www.progresseco.pl and accepts them for use. No written confirmation by the Supplier within the time limit given above, shall be treated by the Buyer as tacit order acceptance by the Supplier under the terms specified in the order and in accordance with the General Terms of Purchase. Acceptance of the order by the Supplier with deviations requires a written confirmation by the Buyer within 3 days. The Supplier is obliged to clearly and unequivocally declare to the Buyer any deviations from the order. No written confirmation by the Buyer of all derogations introduced by the Supplier shall result in the cancellation of the order.

3. DELIVERY TIME, SUPPLIER'S DELAY

Delivery time, timeliness, quality and quantity have a fundamental and strategic significance for the Buyer. The agreed delivery dates shall be defined and binding and mean the date of delivery of the goods to the Buyer's registered office or another location agreed between the Buyer and the Supplier. These dates should be strictly observed. If there is a danger of exceeding the delivery deadline, the Supplier shall be obliged to immediately provide the expected delay period and the reason for its occurrence in writing. Absence of such information and failure to fulfill the order on time, or provision of information that indicates that the delivery cannot be fulfilled within the deadline, shall give the Buyer the right to withdraw from the order, with the consequences resulting from item 6 of these General Terms of Purchase. The Buyer reserves the right to withdraw, within 14 days of the occurrence of the above grounds, in whole or in part from an order unfulfilled within the time limit specified in the order, without obligation to pay any compensation. At the same time, the Buyer reserves the right to seek compensation from the Supplier for improper performance of the order on the general principles specified in the Civil Code and reimbursement of costs incurred for a substitute performance of the order.

4. PLACE AND TERMS OF DELIVERY

The ordered goods shall be delivered to the Buyer's registered office or another location agreed in writing between the Buyer and the Supplier. The delivery may be considered incomplete and may be rejected if it is not accompanied by a delivery note issued by the Supplier containing the Buyer's **order number**, specification of the shipped (ordered) goods, their quantity and value and all necessary



approvals, certificates and guarantee cards. If these conditions are not met, the Buyer shall not be liable for a delay in delivery receipt and payment date resulting therefrom.

5. DELIVERY RISKS

The Supplier shall be liable for any damage resulting from any delay in delivery, loss or damage of the Goods due to improper marking, packing or shipment identification non-compliant with the Supplier's recommendations and requirements. Delivery of ordered goods shall be deemed completed in respect of the fulfillment of the terms of delivery and the passing of the risk of accidental loss or damage of the Goods from the Supplier to the Buyer upon a documented failure-free receipt of the delivery item by the Buyer at the agreed location.

6. CONTRACTUAL PENALTIES

Ustala się odpowiedzialność za niewykonanie lub nienależyte wykonanie zamówienia w formie kar umownych w następujących wypadkach i wysokościach: Dostawca zapłaci Kupującemu kary umowne:

The responsibility for non-performance or improper performance of an order is established in the form of contractual penalties in the following cases and amounts: The Supplier shall pay contractual penalties to the Buyer:

- for withdrawal from the execution of an order that was accepted but not fulfilled for reasons attributable to the Supplier, or the Supplier's withdrawal from an order for reasons independent of the Buyer – in the amount of 10% of the gross value of the subject of the order;
- for exceeding the delivery date – in the amount of 0.6% of the gross value of the order for each day of delay; this also applies to interim completion dates;
- for delay in the removal of defects found on receipt of the subject of the order or during the period of guarantee and warranty for defects in the amount of 0.4% of the gross value of the order for each day of delay, calculated from the expiry of the time limit set by the Buyer for the removal of defects.

The Buyer shall have the right to deduct the charged penalties from his liabilities towards the Supplier. In the event of the Supplier's delay in performance of the subject of the order or the Supplier's failure to perform the obligation specified in item 3 of the General Terms of Purchase, the Buyer may, without waiving the right to charge a contractual penalty and supplementary compensation, use one or more of the following powers:

- demand the performance of the order in whole or in part;
- purchase from another entity, at the cost and risk of the Supplier;
- withdraw from the order for reasons attributable to the Supplier without setting an additional deadline, by written notice to the Supplier.

If the contractual penalty does not cover the loss suffered, the Buyer may claim supplementary compensation in line with general principles of the Civil Code.

7. GUARANTEE, WARRANTY, RETURNS

Completion of an order results in the Supplier providing a guarantee for the goods delivered for the period and under the terms indicated in the order. Additional guarantee terms may be specified by the Supplier in the guarantee card provided. The guarantee period runs from the moment of receipt of failure-free goods by the Buyer. The liability under the guarantee is in accordance with the provisions of the Civil Code. The Buyer shall notify the Supplier of defects found in the delivered goods. The defects found on receipt and during the guarantee period shall be removed by the Supplier within the time limit set by the Buyer. The Buyer reserves the right



to return any defective goods at the Supplier's expense or demand replacement. The supplier shall take all necessary steps to ensure replacement or repair of defective goods at his own expense with due care. In the event the Supplier's failure to remove a notified defect within the prescribed period, the Buyer may remove the defect for the Supplier at his cost and risk, following a written notice to the Supplier. The above shall not affect the Buyer's rights in the scope of contractual penalties, supplementary compensation and the right to withhold payment of the Supplier's invoices, nor does it release the Supplier from the liability under guarantee. Irrespective of the entitlements under guarantee, the Supplier shall be liable to the Ordering Part for warranty for defects in accordance with the provisions of the Civil Code; if the warranty period specified in the provisions expires earlier than the period of the guarantee provided by the Supplier, the warranty shall be extended for the period corresponding to the guarantee period.

8. PRICE, INVOICE

The agreed prices are fixed, and raising prices after their establishment is not allowed. The prices include delivery to the specified place of delivery at the cost of the Supplier – delivery terms "DDP" according to Incoterms 2010 including the packaging, and if delivery terms "EXW" according to Incoterms 2010 have been agreed, the shipment shall be effected by freight forwarding approved by the Buyer.

The invoice for Goods must contain the information required by law, as well as:

- order number of the Buyer,
- quantity and unit supplied for each item,
- unit price and value for each item.

Failure to fulfill the aforementioned conditions shall result in the invoice not being recognized and it shall be considered not issued. Unless otherwise agreed, one invoice should be issued for one order.

9. SUBJECT OF DELIVERY

The subject of the delivery must be made in accordance with the content of the order, the applicable standards and regulations, and the Supplier shall provide, along with the shipment of purchased goods, the necessary documents, approvals and certificates confirming the foregoing. Absence of the required documents shall be considered as incomplete delivery, which may result in refusal of acceptance or suspension of payment.

10. TERMS AND CONDITIONS OF PAYMENTS

All payments shall be made on the condition that the delivered goods are confirmed to be in accordance with the order and free of qualitative defects. If the Buyer discovers and immediately notifies the Supplier of qualitative defects in the delivered goods, the Buyer shall be entitled to suspend a part of or whole payment until the qualitative defects are rectified. Acceptance of the delivered goods and payment for them by the Buyer shall take place after the invoice has been confirmed correct and the Buyer's right to pursue claims for warranty and guarantee and/or claims for consequential damages is upheld. Provided the conformity of the delivered goods and invoices with the specifications and clauses of the order is fulfilled, the payments shall be made by the Buyer in the form of a transfer to the Supplier's account at the time indicated on the invoice. The deadline for payment of incorrectly issued invoices shall be counted from the Buyer's receipt of correct corrective invoices, i.e. it is extended by the time elapsed from receipt of the VAT invoice until the date of receipt of the correct corrective invoice. The settlement of the amount due is not a confirmation that the Supplier has fulfilled his obligations under the delivery agreement. Invoices shall be issued in the currency of the Buyer's country, unless otherwise specified. VAT should be specified on the invoice.



11. FORCE MAJEURE

Both the Buyer and the Supplier may refrain from fulfilling the order if a faultless delay in the performance of the order, caused by Force Majeure, occurs. Force Majeure shall mean unforeseen events that occur independently of the will of the Parties and after the conclusion of the agreement and which a Party cannot prevent with due diligence, thereby rendering the contractual obligations entirely or partially impossible, including without limitation: war, strikes, warfare, blockade, embargo, international sanctions, fire, flood, other natural disasters, typhoon, earthquake, other extremely heavy weather conditions, closures of roads, connections, channels, passageways.

12. CONFIDENTIALITY

Any information arising directly from these General Terms of Purchase, as well as information obtained by the Supplier in connection with the performance of the order, including in particular any information concerning the Buyer of a technical, technological, financial, commercial, organizational, operational and legal nature, as well as other information significant to the business of the Buyer that are not publicly available, will be considered by the Parties as confidential and as such will not be disclosed to third parties. This obligation does not apply to situations where the obligation to provide information results from mandatory provisions of law. In particular, the Supplier undertakes to treat as confidential the information concerning the volume of trade, applicable prices, discounts, product specifications, logistical agreements, technological data, under the pain of the Buyer's right to withdraw from the order for reasons attributable to the Supplier within 14 days of obtaining knowledge of a breach of this clause. The Supplier declares that he will not use confidential information for other purposes than for the performance of orders and that he will adequately protect such information, in a manner appropriate to its confidential nature. The obligation to keep secrecy of confidential information shall remain in effect at the time of agreeing and executing of the order and for a period of 36 months after the execution of the order and may be waived only by a written consent of the Buyer under pain of nullity.

13. CONTENTIOUS ISSUES

To all matters not settled herein the relevant provisions of the Civil Code shall apply. In the event of a dispute concerning the interpretation or performance of an order and these General Terms of Purchase, which the parties are unable to resolve amicably through negotiations, the competent settling entity shall be the court competent for the Buyer's registered office. The applicable law for the purchase/delivery of Goods to the Buyer shall be the law of the Republic of Poland.

14. FINAL PROVISIONS

Without prior written consent of the Buyer the Supplier shall not be entitled to transfer to another person or to encumber the rights resulting from the performance of the order, and in particular the right to remuneration. These General Terms of Purchase are an integral part of the order made to the Supplier by the Buyer. In case of contradictions or divergences, the content of the order shall be decisive. Any changes or additions to the General Terms of Purchase require a written form under pain of nullity. These General Terms of Purchase are the only contractual templates binding the parties in the scope of the purchase/delivery of Goods to the Buyer. Consequently, the parties exclude the use of other contractual templates (general terms of contract, terms of sale, regulations, etc.) including the templates used and/or determined by the Supplier. The provisions of the General Terms of Purchase are amended by the Buyer by posting their updated version on the website: www.progress-screens.pl.

These General Terms of purchase shall be effective as of 14.12.2021.