

GENERAL TERMS AND CONDITIONS OF SALE

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§1 SCOPE

1. These General Terms and Conditions of Sale (hereinafter referred to as "GTCS") apply to all products, services, services utilising the material provided by the purchaser, and commercial goods hereinafter collectively referred to as "Subject of Agreement," sold by STELWELD ("Seller") to the Buyer ("Buyer"), also referred to as "Parties" hereinafter. The GTCS, along with specific sales conditions outlined in documents such as:
 - a) offer,
 - b) order confirmation,
 - c) sales agreement,as well as other documents that have been explicitly attached, constitute the Agreement entered into between the Buyer and the Seller, and wholly replace any prior conditions proposed by the Buyer, as well as any oral or written agreements not explicitly referenced in the aforementioned documents.
2. Unless the Parties expressly agree otherwise in writing, quotations and calculations are for informational purposes only, and Seller's offers are non-binding without confirmation by the Seller. Purchase Orders or any other documents conflicting with the Seller's offer are not binding on the Seller unless expressly accepted in writing by the Seller.
3. The Buyer's order becomes a confirmed order if it is accepted within the timeframe specified therein or within 3 days from submission, through postal correspondence, email correspondence, specialised electronic tools for conducting transactions of this kind, or if it is not rejected within 3 days from the date of submission of the Order Confirmation by the Buyer. Non-rejection of the Order Confirmation simultaneously signifies the Buyer's consent to the terms of the Agreement specified therein.
4. In the case of sales realised through specialised electronic tools for such transactions, the "Order Confirmation" shall include all elements defining the scope of the Buyer's purchase, which the Seller will expressly confirm.
5. If any provision of the GTCS is deemed invalid, unenforceable, or contrary to the law, in whole or in part, such determination shall not affect the validity of other conditions within this document, and the Parties shall endeavour to replace such invalid provision with another provision that is most closely aligned with the Parties' intentions in this regard. In case of discrepancies between the content of the Order Confirmation and the wording of these GTCS, the sales agreement, or the offer, the content contained in the Order Confirmation shall prevail. The Seller's failure to exercise any right shall not be construed as a waiver of that right.
6. The Buyer's General Purchase Conditions are not binding on the Seller and do not constitute part of the Agreement between the Parties unless expressly agreed to in writing by the Seller.

§ 2 PRICES AND PAYMENT TERMS

1. Except as expressly indicated in the Order Confirmation, all prices are quoted as net. The Buyer is solely responsible for making payments for all applicable taxes and local charges as per the prevailing laws, transportation fees, shipment insurance, shipping costs, storage, packaging costs, handling, demurrage, parking, and other expenses. Any increases in such charges that come into effect after the date of the Order Confirmation will also be borne by the Buyer.
2. Unless otherwise specified, payments shall be settled without deductions within 30 days from the date of invoicing unless the due date falls on a public holiday in the country where the Buyer's bank is located. In such cases, payment for the invoice shall be made on the last working day prior to the invoice due date.

3. In cases where the Buyer has no prior cooperation history with the Seller or is undergoing bankruptcy proceedings, or in other justified circumstances, the Seller may make the execution of the agreement contingent upon full or partial advance payment of the agreed compensation.
4. If the Buyer fails to pay the agreed contractual compensation within the stipulated timeframe, they shall be obligated to pay ipso facto, without the need for additional notice:
 - a) statutory late payment interest,
 - b) flat-rate compensation amounting to 5% of the invoice value, but not less than 200 PLN, as indemnification, without prejudice to any other rights of the Seller arising from non-compliance with payment obligations, including those specified in the Journal of Laws of 2019, Section 1649.
5. In case of any delay in payment or failure to fulfil other obligations on the part of the Buyer, or if the Seller has doubts about the Buyer's solvency or creditworthiness, and the Buyer is not prepared to make an advance payment or provide payment security to the satisfaction of the Seller, the Seller reserves the right to terminate the Agreement in respect of the unfulfilled portion and to the extent that the Seller's interests may be adversely affected. In case of default in the timely payment of a part of the compensation, the remaining portion of the compensation, whose maturity date falls later, becomes immediately due and payable after 7 days from the maturity date of the payment due for the prior portion of the compensation.
6. The Seller reserves the right to offset the Buyer's debt and/or utilize payments to settle overdue payments exceeding 30 days, plus any accrued interest and associated costs, in the following order:
 - a) costs,
 - b) interest,
 - c) invoice amounts.

Even in such circumstances, in the event of a dispute, the Buyer is not entitled to withhold payment or claim damages.
7. All bank charges, except for the Seller's bank charges, shall be borne by the Buyer.
8. The Items of Agreement executed by the Seller shall remain exclusively at their disposal until delivery to the Buyer, which will take place after the settlement of all obligations arising from the Agreement.

§ 3 DELIVERY OF ENTRUSTED MATERIALS

1. In cases where the Buyer provides entrusted material for the fulfillment of the Agreement in a manner that prevents quantitative verification during unloading, the Seller will verify and acknowledge the number of collective packages indicated in the Buyer's delivery document.
2. Quantitative verification of the entrusted material will be conducted during the execution of the Agreement. Information confirming the quantity of elements, including any discrepancies between the declared and actual quantity of Entrusted Materials delivered, will be communicated to the Buyer upon completion of the Agreement, to which the Buyer agrees.
3. The Seller shall not be held responsible for any shortages in quantity between the declared amount by the Buyer and the actual delivered quantity.
4. The Seller does not assess the suitability of the entrusted material for the execution of the Agreement's scope. The fulfilment of the Agreement is solely the Buyer's responsibility. The Seller's liability for potential defects in the subject of the Agreement arising from defects in the entrusted material, or resulting from the processing of the entrusted material containing such defects, or for any other reason failing to meet quality requirements, is excluded.

5. If the execution of the Agreement's scope using the entrusted material poses a risk to the Seller, the Seller reserves the right to partially or fully withdraw from the Agreement.
6. Unless otherwise agreed upon by the Parties, the entrusted material can be delivered between 7:30 AM and 11:00 PM, to the location and on the date specified and confirmed by the Seller.
7. In the case of the Agreement's scope involving the processing of entrusted material, the Buyer must provide the replacement cost of the materials prior to processing. If not provided, the Seller will determine the replacement cost of the material based on market data, its knowledge, and established best practices.
8. In the event of material loss, destruction, or loss attributable to the Seller's fault, the Seller shall reimburse the Buyer for the replacement cost of the lost entrusted materials as specified in Section 7, Point 7 of this Section 3 of these General Terms and Conditions of Sale (GTCS).

§ 4 RECEIPT OF THE SUBJECT OF THE AGREEMENT / ENTRUSTED MATERIAL

1. Unless otherwise agreed upon, the Buyer is required to promptly collect any remaining entrusted material from the Seller's warehouse after the completion of the Subject of the Agreement, within a maximum of 24 hours from the date of the Seller's confirmation of readiness for collection.
2. Receipt of the Subject of the Agreement shall only be possible after the Buyer has settled all obligations towards the Seller unless otherwise agreed upon in writing.
3. In the case of Buyer-arranged transportation for receiving the Subject of the Agreement, quantitative verification takes place at the Seller's premises.
4. Prior to the receipt of the Subject of the Agreement, the Buyer is obliged to coordinate with the Seller the exact date (including date and time) and mode of transportation for the collection. The designated recipient must possess an authorisation for collection bearing the Buyer's signature and seal, containing the necessary information for verifying the Subject of the Agreement prior to loading. In all cases, the person authorised by the Buyer to collect the Subject of the Agreement is presumed to be the person receiving the subject at the Buyer's premises or another agreed-upon collection point.
5. In cases where the Seller is responsible for delivery, each delivery will be documented by the Buyer by signing a Delivery Note, which will confirm the quantitative receipt of the Subject of the Agreement.
6. The Buyer's acceptance of the Subject of the Agreement without quantitative verification or the absence of objections promptly following verification within 3 days from the date of receipt will be deemed confirmation that the Subject of the Agreement has been delivered correctly, in the appropriate quantity and assortment.
7. If the Buyer fails to collect the Subject of the Agreement or any remaining entrusted material within the agreed-upon timeframe as stated in point 1 above, the Seller reserves the right to send the Subject of the Agreement at the Buyer's expense or to charge the Buyer for storage costs. The flat-rate storage cost amounts to 50.00 PLN net per pallet space for each commenced day of storage, starting from the first day after the day on which the Subject of the Agreement or entrusted material was supposed to be collected by the Buyer. If the storage cost exceeds 30% of the scrap value of the Subject of the Agreement or entrusted material, it will be disposed of at the Buyer's expense without prior notice.
8. The Subject of the Agreement will be packaged in a manner to protect it during transportation as per the Buyer's instructions. If the Subject of the Agreement is produced from entrusted material, it will, to the extent possible, be packaged using packaging materials in which it was

supplied. If the quality and quantity of the packaging materials supplied with the entrusted material are insufficient, the Seller will supplement any deficiencies using its own packaging materials, including pallets, protective measures, fastenings, and restraints used during transportation. The cost of additional materials used by the Seller will be passed on to the Buyer.

9. In the lack of specific instructions from the Buyer, the Seller will carry out the above actions at its discretion, in good faith, and applying the best-known practices. The Seller's liability for damages resulting from its choice of packaging for the Subject of the Agreement is excluded.

§ 5 CONFORMITY – INSPECTION

1. After the Seller has fulfilled the Subject of the Agreement, the Buyer shall conduct an inspection of the delivered Subject of the Agreement to verify the quantity and assortment in accordance with the Delivery Document, as well as identify any visible discrepancies in the supplied documentation, defects, and damages (surface defects, packaging defects, labeling, etc.) that are detectable.
2. If, due to the nature of the packaging or any other objectively justifiable reason, an immediate quantitative and qualitative inspection of the delivered Subject of the Agreement is not feasible, the inspection should cover at least the quantity and externally visible damages. As soon as it becomes objectively possible, but no later than within 3 days of receiving the Subject of the Agreement, a detailed qualitative inspection should be conducted.
3. The Subject of the Agreement will be automatically deemed accepted upon delivery to the Buyer if the Buyer does not provide any written comments regarding the Subject of the Agreement no later than 3 days after its delivery and prior to any further processing of the Subject of the Agreement.
4. The Seller does not accept any claims for defects, shortages, and/or non-compliance of the Subject of the Agreement with specified order conditions that could have been discovered during a regular inspection but were not inspected.
5. Defects not detectable upon delivery must be promptly reported to the Seller upon discovery, which is at the latest within 3 days from the day the Buyer was first able to identify them with the highest possible diligence in this regard, and no later than 4 weeks from the date of delivery. Notifications about defects and faults must be supported by documents confirming the justification of the claim.

§ 6 QUALITY – COMPLAINTS

1. The Seller is obligated to fulfill the Subject of the Agreement in accordance with its content, approved technical documentation, and in line with the applicable standards at the Seller's premises, which can only be verified on this basis unless otherwise agreed by the Parties.
2. The Seller's liability for hidden defects of the Subject of the Agreement, as regulated in these GTCS (with reservations of exclusions as mentioned in these GTCS), covers a period of 12 months from the date of delivering the Subject of the Agreement to the Buyer. Provisions regarding warranty for defects are excluded. A condition for holding the Seller liable for defects of the Subject of the Agreement is the use of the Subject according to its intended purpose or technical documentation if provided along with the Subject of the Agreement.
3. The Seller shall not be held responsible for mechanical damages to the Subject of the Agreement arising during transportation (in cases of self-pickup by the Buyer or transport arranged by the Buyer), as well as damages resulting from improper unloading.
4. Claims related to quality will not be considered in the case of damages resulting from improper or careless installation, use, maintenance, or storage of the Subject of the Agreement by the Buyer or third parties, as well as unauthorised repairs or modifications.

5. If during the period indicated in point 2 of this section, it is discovered that the Subject of the Agreement contains defects resulting from the processing/process by the Seller, for which the Buyer will assert claims, the Buyer must refrain from using the said Subject of the Agreement. The Buyer is then obliged to secure the defective Subject of the Agreement and keep it until the complaint is resolved.
6. Failure to respond to the decision resulting from the complaint process within 14 days of receipt is considered acceptance without reservations.

§7 LIABILITY – CLAIMS

1. The Buyer shall provide the Seller with all necessary information to ensure proper development of the technical specifications of the Subject of the Agreement and acknowledges that the Seller's compliance obligation is fully fulfilled upon receipt of the delivery and the expiration of the notification deadlines referred to in § 5 points 2 and 5, § 6 point 2 of this GTCS.
2. The Seller guarantees that the execution of the Subject of the Agreement complies with the specifications of the Buyer (drawings, standards, norms, etc.) provided to the Seller. Any technical advice provided by the Seller before and/or during the use of the Subject of the Agreement, whether provided orally, in writing, or through trials, is given in good faith, but without any warranties from the Seller. The Seller's opinion does not release the Buyer from the obligation to inspect the delivered Items of the Agreement for their suitability for the intended processes and applications.
3. In any case, the Buyer must fulfill its obligation to mitigate damages and is not entitled to delay payment of overdue invoices.
4. If the Seller deems the reported defects of the Subject of the Agreement justified, the Seller shall, at its sole discretion, be obligated to replace the Subject of the Agreement with a defect-free item, and if such replacement is not possible, to accept the return of such Subject of the Agreement against a refund of the paid price or, if the payment has not yet been made by the Buyer, to reduce the price proportionally to the scope of recognized defects or to cancel the aforementioned agreement.
5. The Seller shall not be liable for the Buyer's damages in the form of lost profits resulting from the delivery of a defective Subject of the Agreement, in particular for production stoppages, loss of revenue, and/or any other consequential or special loss or damage directly or indirectly incurred by the Buyer or any other person resulting from the use of the Subject of the Agreement.
6. The Seller may only be held liable for damages caused by its gross negligence or willful misconduct that is clearly attributable and properly proven by the Buyer, and the Seller's liability, in any case, shall be limited to an amount equivalent to the value of the Subject of the Agreement affected by the defect.

§8 DELIVERY CONDITIONS – VAT - TRANSFER OF RISK

1. Unless otherwise stipulated in writing, the transfer of risk shall take place at the Seller's warehouse in accordance with FCA Incoterms 2020. If the Buyer does not take delivery of the Subject of the Agreement within the agreed-upon period, the Seller may store them at the Buyer's risk and cost in accordance with §4 point 11 of these General Terms and Conditions, and after notifying the Buyer of their availability, issue an invoice and charge the Buyer for storage costs.
2. In the case of the sale of Subject of the Contract delivered to the destination under DAP Incoterms 2020, the Seller shall select the route and means of transport as well as the choice of forwarders and carriers. In order to enable the Seller to make necessary shipping arrangements, the Buyer is responsible for providing the Seller with all relevant information well in advance, including:

- a) instructions regarding marking, packaging, and shipping,
 - b) Import certificates, documents required to obtain necessary government licenses, and any other documents before shipment. If any required instructions, documents, or confirmations are not received or would require (in the Seller's sole discretion) unreasonable costs or delays on their part, the Seller may, at its own discretion and without prejudice to other remedies, delay the shipping time by informing the Buyer of this fact.
3. Unless expressly agreed otherwise, delays in delivery shall not entitle the Buyer to claim compensation for resulting damages. Delays in delivery entitle the Buyer to cancel only that part of the order that is not yet in production and only after granting the Seller a reasonable grace period to remedy the delay and only after sending the Seller an official notice of the delay.
 4. Binding delivery/receipt dates of the Subjects of the Agreement entitle the Buyer to compensation only to the extent that the Seller was fully informed in writing at the conclusion of the Agreement about possible losses/damages resulting from the delay, as well as a specific valuation of its individual elements and after the potential costs have been accepted by the Seller. In cases of production delays, the Seller has the right not to deliver the entire quantity ordered by the Buyer in a single delivery but may execute several successive partial deliveries within the scope of fulfilling one order.
 5. In cases where the sale of the Subject of the Contract allows for VAT exemption due to intra-community sales or the destination of the Subject of the Contract, and the Buyer accepts delivery at their own risk and cost (EXW, FOB, FCA, etc. delivery terms), the Seller is obligated to apply for VAT exemption only when the Buyer provides tangible proof (transport document: CMR, bill of lading, CIM, export declaration, etc.) of transport or shipment to the destination country.
 6. At the Seller's request, the Buyer shall provide/deliver within 10 working days from receiving the request:
 - a) Copies of invoices confirming the receipt of delivered Subject of the Contract to the address specified on the invoice, in the assortment and quantity specified in the delivery specification referred to in the invoices, in electronic form to the provided email address,
 - b) Copies of delivery receipts or transport documents, on which confirmation of the delivery of the Subject of the Contract is indicated.

In case of failure to meet the above deadline (10 working days), the Seller has the right to charge the Buyer monetary penalties in accordance with the provisions of the Act of April 25, 2022, No. 893, Article 10, "Recovery Costs Refund."

7. The Buyer is obliged to promptly inform the Seller (within 3 working days) of:
 - a) Change in the Buyer's VAT identification number for intra-community transactions,
 - b) Change in the name and address of the Buyer's company.

§9 TOOLING

1. When the realisation of the Buyer's order requires the creation of additional Production Toolings, such as tools, templates, gauges, fixtures, yokes, security systems, masking, and any other such solutions (hereinafter referred to as "Tooling"), it is established that the owner of the concept, results of design work, documentation is the Seller, and they remain the owner of the intellectual property rights to the same. The owner of tools, templates, gauges, fixtures, yokes, security systems, masking, and any other such solutions is the Seller. Ownership of these items transfers to the Buyer upon payment of the agreed price to the Seller or upon the occurrence of other circumstances agreed upon between the Parties.
2. At the Seller's request, the Buyer is obligated to bear the costs of upgrading, reproducing, and renovating the Tooling resulting from natural wear and tear.

3. In the event of no demand for goods produced using the Tooling, the Buyer will be informed of the obligation to collect it.
4. If the Tooling is not collected, the Seller reserves the right to scrap it within 30 days from the Buyer's notice's delivery date.

§10 FORCE MAJEURE

1. The Seller shall not be held responsible for any delays, damages, or actions resulting in whole or in part from any reasons beyond the control of the Seller, such as:
 - a) Wars (whether declared or not),
 - b) Strikes,
 - c) Labor disputes,
 - d) Accidents causing production stoppage or such reduction that affects the timeliness of executing the Confirmed Order,
 - e) Fires causing production stoppage or such reduction that affects the timeliness of executing the Confirmed Order,
 - f) Natural disasters, especially floods,
 - g) Epidemic situations,
 - h) Transportation delays,
 - i) Material shortages,
 - j) Equipment breakdowns,
 - k) Actions of administrative authorities not caused by or attributable to the Seller, manifested by the introduction of legal regulations or administrative acts of general or individual scope, causing production stoppage or such reduction that affects the timeliness of executing the Confirmed Order.
2. In the event of the occurrence of the aforementioned Force Majeure, the Seller is entitled to additional time to fulfil the subject of the Agreement, as may be reasonably necessary, and has the right to allocate its production capacities among its Buyers in a manner deemed reasonable. The occurrence of a force majeure event must be communicated in writing to the other Party within 3 days from the date of such event.

§11 CONFIDENTIALITY AND INTELLECTUAL PROPERTY PROTECTION

1. The Parties declare that all information (including data, documents, drawings, maps, designs, photographs, software, patterns, market research, know-how, copyrights, industrial property rights, technical, technological, operational, financial, marketing, and other information) in oral, written, or electronic form concerning their mutual cooperation exchanged between the Parties is confidential, and unanimous written consent of the Parties is required for its disclosure. Upon the request of either Party, the transfer of confidential information shall be documented by an appropriate protocol, which may include other terms for the use of confidential information. The Parties agree that a breach of the above provisions may result in financial losses and therefore declare their readiness to provide compensation equivalent to a reasonable, substantiated, actual amount of incurred losses in such cases.

§12 LANGUAGE, APPLICABLE LEGAL JURISDICTION

1. This document has been prepared in the Polish and English languages. A copy of the text in either of these languages can be obtained upon request or downloaded from the Seller's website www.stelweld.com.pl. In the event of a conflict of content, the Polish version shall prevail. Any disputes that may arise during the execution of the agreement shall be resolved by the court having jurisdiction over the Seller's registered office, based on the laws of the Republic of Poland. The application of the United Nations Convention on Contracts for the International Sale of Goods, done at Vienna on 11 April 1980, shall be excluded.