



## GENERAL TERMS AND CONDITIONS OF SALE

OF PCC CONSUMER PRODUCTS KOSMET SP. Z O.O.

as of June 03<sup>rd</sup>, 2024

### I GENERAL

- 1.1** General Terms and Conditions of Sale of PCC Consumer Products Kosmet Sp. z o.o., hereinafter referred to as the Seller, apply to the sale and delivery of goods by the Seller to the Buyer and performance of related services. Any reference in these General Terms and Conditions of Sale, hereinafter referred to as GTS made to agreement, sale, sales agreement, shall also mean delivery, delivery agreement, and any reference made herein to the Seller or the Buyer shall also mean the Supplier and the Consignee.
- 1.2** These GTS are available on the Product Portal of the PCC Group at the following address:  
<https://kosmet.com.pl/en/about-us/download/>
- 1.3** Any other provisions contrary to these GTS or statutory regulations, including but not limited to the Buyer's terms and conditions of purchase, shall be binding upon the Seller subject to the Seller's written approval thereof, as per the Company's principles of representation. Any unquestioned delivery, service or sale of goods shall not be deemed the acceptance by the Seller of any other contrary provisions. In particular, these GTCs exclude the application to agreements between the Seller and the Buyer of any general terms and conditions of purchase applied by the Buyer.
- 1.4** The Buyer's orders shall not be binding upon the Seller as long as they have not been expressly confirmed by the Seller in written or electronic form (e-mail sent from the company's mailbox). Any reference made herein to agreement shall be understood also as an order expressly confirmed by the Seller.
- 1.5** The Seller declares that it holds the large enterprise status within the meaning of the Act of 8 March 2013 on counteracting excessive delays in commercial transactions. The buyer holding the large enterprise status is obliged to inform the Seller about this fact before concluding the agreement. Furthermore, the Buyer is obliged to immediately inform the Seller about the loss of the large enterprise status. In case of doubt, each Buyer is required to provide Seller with information about having the status of micro, small, medium or large enterprise.
- 1.6** The Seller's offer may only be accepted without reservations. Where the Buyer responds to the Seller's offer by presenting his objections to the offer, this shall be deemed to be a new offer requiring acceptance by the Seller.
- 1.7** Where the Agreement is concluded pursuant to Article 682 or 69 of the Civil Code, i.e. through tacit acceptance by the Buyer of the Seller's offer or through the Seller's commencement of performance of the Agreement, the Parties shall be deemed to have concluded the Agreement on the terms and conditions specified by the Seller, taking into account these GTCs, unless otherwise specified in the offer or in any other explicit written statement addressed to the Buyer.

### II DELIVERY/ SHIPMENT

- 2.1** The INCOTERMS rules set out in the Agreement shall always refer to INCOTERMS 2020.
- 2.2** For each delivery of goods, the title to the goods shall pass to the Buyer when the goods are handed over to the Buyer or the carrier.
- 2.3** If the Seller is unable to deliver the goods by the agreed date due to circumstances which the Seller could not have foreseen or prevented at the time of conclusion of the contract, the Seller shall inform the Buyer thereof. In such a case, the Seller shall not be liable for failing to perform or duly perform the agreement. The parties shall

agree on a new date of shipment, taking into account each other's capabilities and requirements, in a separate agreement.

- 2.4** In the case of goods delivered in tank cars/goods wagons of the Seller, the unloading time of a tank car/goods wagon at the Buyer's site shall not be longer than 56 hours from the moment of their arrival to the collection rails of the Buyer.
- 2.5** In case of delay, the Seller shall be entitled to charge the Buyer with demurrage costs at the Seller's discretion in the amount of PLN 500 per each commenced 24-hour period, unless otherwise specified in the agreement, or in the amount specified by the carrier who completed the delivery.
- 2.6** If the goods are transported by a cistern truck/lorry of the Seller or a carrier acting on its behalf, the Buyer shall unload the cistern truck/lorry forthwith upon its arrival at the Buyer's. If the Buyer fails to unload the cistern truck/lorry within 4 hours (unless otherwise specified in the agreement) of reporting the arrival of the cistern truck/lorry at the Buyer's, the Seller shall charge the Buyer with the demurrage costs for the respective means of transport. If the Buyer is required to custom clear the goods, the time for unloading the Seller's cistern truck/lorry shall be extended from 4 up to 8 hours.
- 2.7** In the event of any additional costs related to the performance of the agreement, transport, arising from reasons attributable to the Buyer, e.g. related to delivery documentation, delay in returning the packaging or means of transport, as well as due to the Buyer's failure to perform or duly perform its obligations resulting from the delivery base adopted in the agreement, the Seller shall be entitled to demand reimbursement of these costs from the Buyer.
- 2.8** Upon collection of the goods, the Buyer shall check them for compliance with the specification received, inspect them visually and accept the goods by signing, affixing a stamp and the date of goods' receipt on the relevant consignment note, a copy of which shall be returned by the Buyer to the Seller upon receipt of goods.
- 2.9** Unless otherwise provided in the agreement, the Seller is entitled to deliver goods in parts and invoice them separately. Any delay in delivery shall not relieve the Buyer from the obligation to accept the delivery and to pay for it. The delivery of the quantity of goods lesser than agreed between the parties shall not entitle the Buyer to refuse acceptance of the goods, and in such a case the Buyer shall be obliged to pay the appropriate part of remuneration for the delivered quantity of goods.
- 2.10** If the Seller has specified the country of goods' destination (Territory) in the agreement, the Buyer shall not be entitled to resell the goods actively outside the Territory.
- 2.11** In the event of failure to perform or duly perform the agreement by the Buyer, and in particular in the event of delay in acceptance of the goods, the Seller may charge the Buyer with a contractual penalty in the amount of 10% of the gross value of the goods complained. The penalty is payable at the first written request of the Seller. The Seller may seek compensation from the Buyer in excess of the contractual penalty stipulated, pursuant to the provisions of the Civil Code.

### III PACKAGING

- 3.1** If the goods are delivered to the Buyer in a returnable packaging, the Buyer shall return the empty returnable packaging to the address specified by the Seller, in a non-deteriorated condition, allowing for normal wear and tear, within 60 days of delivery of the goods in such a packaging, unless otherwise specified in the agreement.
- 3.2** In case of failure to return the returnable packaging within 60 days of delivery of the goods in such packaging, the Seller shall issue an invoice for the sale of the aforementioned returnable packaging, by the date specified in the Goods and Services Tax (VAT) Act, as per the average market value of the packaging. If returned packaging is damaged, incomplete or contaminated with substance other than the delivered goods, the Seller may refuse to accept such packaging and charge the Buyer with the price of new packaging.
- 3.3** The Buyer who received the goods in non-returnable packaging shall manage the waste of such packaging on his/her own and at his/her own expense, in an appropriate place designated for this purpose.

### IV SETTLEMENTS

- 4.1** Unless otherwise specified in the agreement, all invoices of the Seller shall be paid by the Buyer by wire transfer to the Seller's account, in full amount and without deducting any bank costs.

In case of international settlements, the Buyer shall bear the cost of its bank and intermediary banks. The Seller declares that its bank shall not charge fees for incoming payments. In order to settle the transfer costs properly, the Buyer shall choose the OUR cost option. The payment shall be deemed timely effected, if the relevant payment for the goods sold is credited to the Seller's account before or on payment due date.

- 4.2** Any default in payment shall be subject to statutory interest charged for each day of default. In case of delay, the Seller may also claim damages.
- 4.3** If the trade credit granted by the Seller is overdrawn or if the Buyer is in delay with payment, the deliveries shall be made by the Seller only after prior payment by the Buyer of the liabilities that exceed the limit of the trade credit and all other monies due. Overdraft or delay in payment may also constitute grounds for refusing to perform further deliveries, including the already confirmed deliveries. Any payments of the Buyer, may be credited first against any interest due and the most overdue liabilities.
- 4.4** The Buyer acknowledges that its trade credit limit may be changed without giving a reason.
- 4.5** Check payments shall not be accepted, unless stated otherwise herein.
- 4.6** The Buyer's claims shall not serve as grounds for the Buyer to suspend payment due to the Seller. The Buyer's receivables may not be set off against the Seller's receivables.
- 4.7** Any change to the Seller's bank account shall be additionally confirmed by the Seller in order to be effective.

## **V COMPLAINTS, LIABILITY FOR FAILURE TO PERFORM OR DULY PERFORM THE AGREEMENT**

- 5.1** Subject to the provisions of section 5.14 and the agreed INCOTERMS 2020 conditions, the Seller shall be liable for the quality of goods delivered as evaluated at the time of loading at the Seller's plant, only to the extent of compliance with the technical specification of the product.

If the quality of the goods has not been specified in the contract, the Seller guarantees that it is compliant with the technical specification (STW) constituting an appendix to the sale contract. The Seller does not bear any liability for another manner and purpose of use of the goods than the one determined in the technical specification (STW) as well as the technical assistance and provided information (having oral or written form or the form of production assessments), including in the form of proposed studies and recommendations.

Any quality parameters of the goods agreed by the Parties which deviate from the technical specification of the goods shall be binding if incorporated in the agreement.

The samples of the goods provided to the Buyer do not constitute the basis for any express or implied liability of the Seller, including for quality, description or possibility of application in specific conditions or for specific purpose.

For the purposes of determination of due quality of the delivered goods, the archival sample taken at the moment of production of the given batch during the production process of the Seller is binding. The Seller does not bear any liability for improper preparation of the means of transport, provided for the loading, by the Buyer or by the carrier acting upon its order, and in particular for its cleanliness and technical condition. The same applies to the packaging owned by the Buyer.

- 5.2** The Buyer shall determine the quantity of goods purchased by weighing the goods in the packaging in which the goods were delivered by the Seller, using a scale with a valid legalisation certificate. Any quantity complaints resulting from the measurement of weight conducted after reloading/pouring the goods to another packaging and complaints resulting from the weight measurement with a scale without a valid legalisation certificate shall not be considered by the Seller. The quantity difference not exceeding 1% of the delivered goods may not be the basis for complaint or any other claims of the Buyer.
- 5.3** The Buyer is obliged to examine the goods upon their delivery. In case of identification of any shortages or damages during acceptance of the delivery by the Buyer, this fact should be noted on the delivery note, determining the quantity and the type of the assortment which has not been accepted by the Buyer in a precise way. Confirmation of this fact by a legible signature of the carrier is the condition for acceptance of the complaint by the Seller.
- 5.4** Failure of the Buyer to observe the time limits for examination of the goods and notification of the defect, determined above, results in loss of the entitlements on account of the statutory warranty for the defects of the goods.

- 5.5** The Seller shall not accept the return of the goods for other reasons than acceptance of the complaint.
- 5.6** The person accepting the goods on behalf of the Buyer is considered as authorised by it to perform acceptance of the delivery and to sign the delivery note on its behalf. The person accepting the goods is required to sign the delivery note as well as to affix the company stamp and the personal stamp thereto.
- 5.7** The Seller does not bear any liability for the defects of the goods connected with the expiry of the shelf life determined in the technical specification (STW).
- 5.8** The Buyer undertakes to transport and store the product in compliance with the conditions declared by the Supplier in STW and on product label.
- 5.9** Quantity, quality, logistic and other complaints shall be forthwith submitted by the Buyer to the Seller in writing or by electronic mail, not later, however, than within 7 days of goods receipt or else a complaint shall not be considered and the Buyer shall lose its rights to raise any claims with respect to the same, unless the defect could not have been detected despite having examined the goods at the time and in the manner accepted for goods of this kind.

Latent defects in the goods sold shall be reported by the Buyer to the Seller immediately upon discovery, not later, however, than within 7 days of discovery, or else a complaint shall not be considered and the Buyer shall lose its rights to make any claims with respect to the same, provided, however, that the Buyer's right to report a latent defect in the goods expires after one year of goods' receipt or after the date of expiry of the goods, whichever is sooner.

- 5.10** For a complaint procedure to be commenced, the Buyer is required to describe the defect in detail by the Buyer and provide the Seller with:
- in the event of a quality complaint: (1) the results of the Buyer's goods' quality testing performed in an appropriate manner and at an appropriate time, and in case such test has not been conducted – a sample of goods. Such sample shall be obtained by the Buyer during unloading of goods at the latest, immediately after removal of the seals/opening of the packaging in such a way as to ensure that the sample is representative for the goods. In the case of a complaint relating to more than one means of transport/package, the result of the test should be provided for each means of transport/package separately;
  - in the event of quantity and logistic complaint: written note containing: description of a problem, the condition of the seals/package, signature of the Buyer, signature of the driver of the vehicle or the Buyer's declaration that the driver refused to sign the document.

A note template damage protocol is available at <https://files.pcc.pl/ShippingDamageReport>

If the problem relates to the quantity of goods, the following shall be required: weight certificate, weight legalisation certificate, recording and/or pictures from the monitoring system taken of the vehicle driving onto the scale or a Buyer's declaration on the lack of monitoring of weighing process.

The Seller may require that the Buyer provides documents other than those mentioned above, which may constitute evidence in the complaint proceedings.

- 5.11** The Seller shall entertain the submitted complaint within 21 days of the receipt of complete documents. The above shall not apply if the Seller's decision concerning the complaint submitted requires additional information and/or Buyer's opinion and/or opinion/expert report from independent entities. In such case, the Seller shall notify the Buyer thereof, specifying an expected date of complaint resolution. Failure to entertain the complaint within the above said period or by another specified date shall not constitute the acceptance of the complaint.
- 5.12** In case of acceptance of the lodged complaint, the Seller may select the manner of complaint settlement at its own discretion. The Seller may be obliged solely to: in case of qualitative complaints - decrease the sale price of the delivered goods respectively or return the goods and deliver the same quantity of the defect-free goods instead of the faulty ones; in case of quantitative complaints - decrease the sale price respectively to the actual quantity of the delivered goods or perform a complementary delivery.

The demands of the Buyer may not exceed the value of the batch of the goods being the subject of the complaint and in particular, the Buyer may not raise any further-reaching claims on this account, i.e. demand remedy of the loss suffered by it due to lack of the properties of the goods guaranteed by the Seller.

In each case, the liability of the Seller on account of non-performance or improper performance of the contract is

limited solely to the losses which have been actually suffered by the Buyer and may not exceed the value of the delivered goods from the given delivery in any case. The Seller does not bear any liability for lost profits, indirect losses, loss of income of the Buyer or losses suffered by third parties.

In particular, the Buyer may not raise any further-reaching claims on this account, i.e. demand remedy of the loss suffered by it due to lack of the properties of the goods guaranteed by the Seller.

If the circumstances referred to in this point lead to significant increase of own production costs, the possibility to renegotiate the price of the goods determined in the contract is acceptable.

- 5.13** Neither Party shall be deemed in breach of its obligations due to force majeure defined herein as any external, extraordinary event, which could not have been foreseen and avoided by a Party, despite the exercise of due diligence. For the avoidance of doubt, the following shall be regarded as circumstances of force majeure: natural disasters (fire, flood, other natural phenomena), war, riots, strikes, hacker attacks, disturbances in the supply of raw materials to the Seller, failure of installations or equipment of the Seller, as well as acts of public authority. A Party affected by Force Majeure event shall immediately notify the other thereof, specifying its expected duration.
- 5.14** Unless GTS or the agreement provides otherwise, the Seller's liability towards the Buyer arising out of any default is limited only to the value of the lot to which the claim pertains. The Seller shall not be liable for any loss of profits, indirect damage, loss of Buyer's profits or losses incurred by any third parties.
- 5.15** The Seller's liability for the quality of the goods shall be excluded if the Buyer knew about of a defect in the goods at the time of delivery.
- 5.16** The Seller's liability under warranty pursuant to the Civil Code is excluded.

## VI SUPPORT ACTIVITIES

- 6.1** The technical support activities relating to the sale of the Seller's goods shall be performed by the Seller voluntarily and solely for the purpose of demonstration of the properties and possible applications of the Seller's products. The above activities may be discontinued at any time, regardless of the deliveries of the Seller's goods, and the Buyer shall raise no claims in this respect.
- 6.2** Any suggestions, recommendations, solutions and instructions provided in any form by the Seller's technical consultants or other employees, and the results of other consultations and analyses conducted as part of the technical support are the results of tests conducted in laboratory conditions and shall constitute only general guidelines for the efficient use and processing of the Seller's goods.

The Buyer is recommended to independently verify the suggestions, recommendations, solutions and instructions provided, as well as the results of other consultations and analyses conducted as part of the technical support, prior to their application in the real manufacturing conditions.

- 6.3** Unless otherwise stipulated in the agreement concluded with the Buyer, the Seller shall not be held liable for the Buyer's achieving the effects of use of the Seller's goods and/or the application of the suggestions, recommendations, solutions and instructions provided by the Seller, and the results of other consultations and analyses conducted as part of the technical support, and for the outcomes of any Buyer's use of such suggestions, recommendations, solutions and instructions, and the results of other consultations and analyses conducted as part of the technical support.

## VII APPLICABLE LAW AND DISPUTES RESOLUTION

- 7.1** If the Buyer has a registered office on the territory of the Republic of Poland, to all matters not provided for in the agreement and in these General Terms and Conditions of Sale, the provisions of the Polish law shall apply, and any disputes arising out of the agreement shall be resolved by the common court of law having jurisdiction over the registered office of the Seller.
- 7.2** Where the Buyer has a registered office outside the territory of the Republic of Poland, to all matters not provided for in the agreement and in these General Terms and Conditions of Sale, the Polish law shall apply, with the exclusion of the United Nations Convention on Contracts for the International Purchase of Goods of 11 April 1980 (CISG), regardless of whether the Buyer has its registered office in a CISG contracting partner country or not. Any disputes related to the agreement shall be resolved by the Court of Arbitration at the Polish Chamber of Commerce in Warsaw, in accordance with the Rules of Procedure of the court. Each party is obliged to voluntarily and immediately execute the decision of the Court of Arbitration at the Polish Chamber of Commerce in Warsaw.

## VIII STOCK EXCHANGE AND BUSINESS SECRET

- 8.1** The Buyer accepts and acknowledges that the company: PCC Consumer Products Kosmet Sp. z o.o. belong to the PCC Rokita Capital Group. The Buyer accepts and acknowledges that PCC Rokita S.A. and PCC Exol S.A., as issuers of securities listed on the Warsaw Stock Exchange, are subject to a number of regulations of European Union concerning the protection of confidential information on the capital market, in particular to the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the provisions of Trading in Financial Instruments Act dated 29 July 2005 and the provisions of the Act dated 29 July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies. Therefore, the information resulting from implementation of this agreement may constitute confidential information within the meaning of Art. 7 of the Regulation on market abuse. Any disclosure or use of confidential information in a manner inconsistent with this agreement is prohibited. The prohibition of disclosing confidential information shall not apply in a situation when it must be disclosed for the purpose of performance of obligations resulting from regulations of generally applicable law, in particular, it shall not apply with respect to PCC Rokita S.A. and PCC EXOL S.A. in relation to the obligation of these companies to immediately publish the confidential information relating directly to such companies and there is no obligation to consult the content and the fact of publication itself with the Buyer.
- 8.2** Any information and documents concerning the agreement and its execution constitute a business secret of the Seller and cannot be disclosed to third parties without its written consent or otherwise used by the Buyer. This applies also to the information of which the Buyer learnt accidentally and in relation to the conclusion and execution of the agreement.

## IX PRINCIPLES OF SUSTAINABLE DEVELOPMENT

- 9.1** One of the main strategic assumptions of the PCC Group companies is to strive for a balance between economic profitability of the business and broadly understood social interest and responsible management of the organization. The PCC Group conducts its activities responsibly, observes national and international standards in evaluating ethical behaviour of its employees and other groups of shareholders, respecting human and workers' rights, and caring for the environment.
- 9.2** Issues of sustainable production and consumption, as well as the social responsibility are important at all levels of PCC Group's activity. Through the implementation of management systems, the applicable Codes of Ethics, and the activation of the Sustainable Development Strategy throughout the whole value-chain, we strive to promote the principles of our Corporate Social Responsibility (CSR) policy among the shareholders.
- 9.3** Ethical priorities within the PCC Group are mainly related to areas such as anti-discrimination, respect for human rights and environmental protection. These values are taken into account in the decision-making processes undertaken at each level of the organization. The PCC Group complies with all applicable laws, regulations and standards, including international principles of Corporate Social Responsibility (CSR). The Seller undertakes activities related to the shaping of proper economic and social relations and expects the same from its Clients in Poland and worldwide.
- 9.4** The key issues regarding our ethical culture are contained in the current Ethics Book (<https://files.pcc.pl/en/Codeofconduct>), the provisions of which are addressed both to the employees and external shareholders of the PCC Group. We therefore expect all Buyers to respect the principles outlined in the aforementioned document. Respecting the values and principles outlined in the book is an extremely important aspect of our cooperation which should be based on mutual respect, transparency and other ethical values.
- 9.5** The Buyer therefore declares that in its cooperation with the Seller, it is responsible for the consequences of its conduct and applies uniform standards in the assessment of ethical conduct of employees and third parties, the respect for human and workers' rights and environmental protection.

## X PROTECTION OF PERSONAL DATA

- 10.1** The Seller is the Controller of the personal data made available by the Buyer in connection with the conclusion and performance of the contract, e.g. contact persons and employees/co-workers. The Seller may be contacted at its address regarding the protection of personal data.
- 10.2** Personal data may be processed by the Seller for the purpose of:
- conclusion and performance of the contract – for the term of these contracts – the data processing is

necessary to conclude the contracts;

- b. maintaining contact with the Buyer – for the period necessary to respond to an inquiry or to take such actions – the basis for processing is to pursue the controller’s justified interests or to take action at the request of the Buyer in order to conclude a contract, if any;
- c. fulfilling the legal obligations of the Seller (e.g. tax, accounting obligations, or obligations regarding handling of a complaint) – for the duration of these obligations or for the period necessary to prove the fulfilment of these obligations by the entities authorised to control the Seller in this respect – the basis for processing is the legal obligation incumbent on the controller;
- d. establishing, defending and pursuing claims – for the period after which the claims are time-barred (e.g. under any contracts) or for the duration of any proceedings – the basis for the processing is the legal obligation incumbent on the controller.

**10.3** The scope of personal data processing includes the necessary and required information for the performance of the contract, in particular: name or business name; NIP [VAT Reg. No.] number; address; e-mail address; contact telephone number.

**10.4** Personal data may be shared with third parties only to the extent permitted by law, for the purpose and to the extent necessary for the proper performance of the contract. The Seller may entrust the processing of personal data of the Buyer to third parties for the purpose of performing activities related to the performance of the contract as well as for the purpose of asserting claims or protecting against claims. These entities may include in particular: couriers, external consulting companies (including legal, audit, tax, marketing and accounting companies); external IT specialists; entities supporting the Seller in handling correspondence; entities cooperating with the Seller as part of sales services; entities from the PCC Group that provide some of the above services to the Seller.

**10.5** The Buyer may:

- a. access its personal data;
- b. demand that the processing of its personal data be restricted and the data be corrected;
- c. require that its personal data be deleted (e.g. where it has been unlawfully processed);
- d. transfer the personal data which the Buyer has provided to the controller and which is processed by automated means, and the processing is carried out on the basis of a consent or a contract, e.g. to another controller;
- e. object to the processing of personal data based on the prerequisite of necessity for purposes arising out of the legitimate interests pursued by the controller or a third party, including in particular processing for marketing purposes;
- f. lodge a complaint with the authority competent for the protection of personal data.

**10.6** The Buyer’s personal data may exceptionally be transferred to the Seller’s partners processing it outside the European Economic Area (EEA), but only to the extent necessary for the provision of services by such partners to the Seller. The security of the Buyer’s personal data is ensured by the relevant security measures, including standard contractual clauses approved by the European Commission. The Buyer may receive a copy of the information on security measures used with respect to personal data being transferred to countries outside the EEA, in particular by contacting the Seller.

**10.7** Additional information on the rules of processing personal data by the Seller is available at <https://odo.pcc.pl>.

## XI SANCTIONS

**11.1** The Buyer represents that neither it nor any of its related parties (as defined in sec. 3 item 43 of Accounting Law “Related Parties”), does not breach and complies with any restrictive, limiting or discriminatory measures in trade or economic fields adopted by a Sanction Authority with the aim to change one’s policies or specific actions (“Sanctions”), implemented in relation to any of the following categories: (i) states, (ii) groups of states, (iii) natural persons, (iv) legal entities (“Sanctioned Persons”). Sanctions can be expressed in particular by virtue of partial or total import/export ban, entry/exit ban to a specific territory, asset freeze, prohibition of financial settlements or investments in/with Sanctioned Persons. For the purpose of these GTS’ a “Sanction Authority” means (i) any supranational organization as well as its institution bodies, which has not been listed in the following subitems, (ii) any states not listed in the following subitems, (iii) the European Union and its institutions, (iv) the United States of America and its federal institutions.

- 11.2** Neither Party shall be obligated to fulfil its obligations, if it would be a violation of Sanctions binding that party. Where the performance of the Agreement would violate the Sanctions or could be construed as violating/circumventing them, the Seller shall, at its sole discretion, be entitled to:
- 11.2.1** suspension of the performance of the Agreement;
  - 11.2.2** termination of the Agreement with immediate effect, if it can be asserted in a justified manner that the Sanction will be in force for a period of time which makes the performance of the Agreement not possible or useless for the Seller. In case the Seller will be obligated to make any payments to the other Party for the already performed part of the Agreement, that the Buyer's obligation to make such payment shall be: (i) suspended until making of such payment shall cease to be in violation of the Sanctions or (ii) the Seller may withdraw from that part of the Agreement within 12 months from the time it was made aware of the Sanctions, and return of performed part of the Agreement to the Buyer. In any case the Seller shall not be liable to the Buyer for any actions made by the Seller to abide with the Sanctions.
- 11.3** Notwithstanding the above, the Buyer will not resell the products purchased from the Seller to any Sanctioned Person.
- 11.3.1** On a written request made by the Seller, the Buyer:
    - 11.3.1.1** will deliver, without undue delay, documents confirming the final destination of the sold products;
    - 11.3.1.2** if the Seller would be obligated to provide the documents indicated above, on a request from an administrative body, the Buyer will deliver them within a time which will enable the Seller to fulfil such request.
  - 11.4** For the avoidance of doubt, failure to provide the documentation referred to in clause 11.3.1 will be deemed to be a reasonable suspicion that the Buyer is subject to Sanctions or that the Buyer is attempting to evade Sanctions and the Seller will in such circumstances be entitled, at its sole discretion, to exercise the rights referred to in clauses 11.2.1 or 11.2.2 and the period for exercising such rights will be calculated from the refusal/non-receipt of the documents within the period specified by the Seller.
  - 11.5** The Buyer undertakes to indemnify the Seller from any liability including from fines, penalties or expenses (including, among others, court fees) that the Seller may incur due to the Buyer or its affiliates breaching the Sanctions and – if possible – join such proceedings if it was initiated against the Seller. In the case of imposing the above-mentioned fines, penalties or expenses, the Buyer shall promptly reimburse the Seller for their value. In case the Seller, violated any obligation imposed in this section 11., it will be obligated to pay the Seller a contractual penalty equal to 30% value of the sales in the 12 months preceding the act being the violation. The Seller may request compensation exceeding the value of the contractual penalty pursuant to the civil code.

## **XII FINAL PROVISIONS**

- 12.1** The Buyer may transfer its rights and obligations under the agreement only upon the Seller's written consent under pain of nullity.
- 12.2** After the conclusion of the contract, any and all prior negotiations and correspondence between the parties shall be null and void.
- 12.3** In case of any discrepancy between the content of the agreement and the content of these GTS, the provisions of the agreement shall prevail.
- 12.4** All annexes to the agreement shall form an integral part hereof. In the event of conflict between the annexes and the agreement, the provisions of the agreement shall apply.
- 12.5** Any amendments or additions to the agreement must be made in writing in the form of an annex approved by both parties, unless otherwise specified in the agreement or GTS.
- 12.6** The Seller is entitled to set off mutual claims on the basis of a unilateral declaration of will even before the deadlines for payment of both parties' claims have expired.
- 12.7** Unless otherwise agreed by the parties herein, the agreement is drawn up in Polish, and only the Polish language version is binding upon the Parties as regards its interpretation, and the copies of the agreement drawn up in a foreign language serve only as its translation.