

RUG Riello Urządzenia Grzewcze S.A.
ul. Konstruktorska 13
02-673 Warszawa
NIP 525 22 08 783
REGON 016420451
BDO 000030469

Adres do korespondencji:
RUG Riello Urządzenia Grzewcze S.A.
ul. Kociewska 28-30
87-100 Toruń
FB/Riello Polska



Biuro we Wrocławiu
ul. Północna 15-19
54-105 Wrocław

General Terms and Conditions of Sale (GTCS)

in force for trading with "RUG RIELLO URZĄDZENIA GRZEWCZE" S.A and in the following countries:

Poland, Czech Republic, Slovakia, Lithuania, Latvia, Estonia.

DEFINITIONS AND GENERAL PROVISIONS

The following General Terms and Conditions of Sale (hereinafter referred to as "**General Terms and Conditions**") apply to all sales transactions as well as agreements for sales, services and deliveries concluded by, provision of services and deliveries concluded by "RUG RIELLO URZĄDZENIA GRZEWCZE" S.A. with its registered office in Warsaw at ul. Konstruktorska 13, 02-673 Warsaw, entered in the register of entrepreneurs of the National Court Register kept by the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register under the KRS no.: 0000211105, share capital PLN 10,042,000.00 paid in full (hereinafter referred to as the "**Seller**") and any natural persons, legal entities or organizational units without legal status (hereinafter referred to as the "**Purchaser**"), who are not defined as consumers within the meaning of the Civil Code (Act of 23 April 1964). - Civil Code (Dz.U. 2017 item 459 as amended) ("**Civil Code**"), involving products or services offered by the Seller as part of the "Riello" brand, including: burners (oil, gas or dual-fuel burners) and accessories (hereinafter referred to as the "**Products**").

The General Terms and Conditions apply to agreements concluded with Polish and foreign Purchasers.

The General Terms and Conditions supersede all prior agreements concluded with the Purchaser, either orally or in writing; any terms and conditions different from those contained herein shall only be valid with the prior written approval of the Seller.

The General Terms and Conditions are addressed to Purchasers and apply, among others, to all sales and delivery agreements concerning the Seller's Products. Additionally, they also apply to all future agreements concluded between the Seller and the Purchaser, even in the event if such existing agreements have not been renegotiated by the Seller and the Purchaser. The provisions contained in the General Terms and Conditions and the agreements between the Parties regarding property rights of the Products, further securities for the Seller's claims against the Purchaser and the exclusion of further claims for compensation by the Purchaser against the Seller shall in any case remain in force.

The Terms and Conditions shall be deemed accepted in the event when the Purchaser places an Order, or in case of the lack of an Order - at the latest upon receipt of the Products by the Purchaser. The General Terms and Conditions shall be accepted by the Purchaser without reservations.

The Purchaser's Terms and Conditions for Sales are not binding for the Seller, even if they are not expressly rejected. Purchasing Products from the Seller takes place under these General Terms and Conditions of the Seller, unless the Parties expressly agree otherwise in writing.

Placing an Order by the Purchaser means that the Purchaser has read and accepted the General Terms and Conditions published on www.riello.com/poland.

Accepting the order by the Seller for execution followed by issuing a relevant confirmation to the Purchaser shall be deemed synonymous with the acceptance of the Seller's General Terms and Conditions by the Purchaser.

The invalidity or ineffectiveness of any provision of the General Terms and Conditions shall not affect the validity and effectiveness of all the remaining provisions.

1) PRODUCTS

- 1.1 Products subject to sales regulated by these General Terms and Conditions shall mean the products sold by the Seller, as specified in the Seller's catalogues or as described by the Seller. Sending catalogues or technical documentation by the Seller does not constitute an offer within the meaning of the Civil Code. Consequently, the Products may be subject to modifications without prior notice from the Seller. Dimensions, weight, performance and any other information contained in the Seller's catalogues or in the technical documentation provided by the Seller are for reference only and do not constitute a promise or obligation of the Seller.
- 1.2 Catalogues or technical documentation issued by the Seller contain only commercial information ("**Commercial Information**").
- 1.3 Drawings, photographs, dimensions, descriptions, technical and functional parameters as well as other information regarding the Products contained in information commonly published or sent to the Purchaser: brochures, technical magazines, price lists or offers (if they are issued by the Seller to the Purchaser in writing) and attached documents are only approximately reliable. The same applies to data regarding the devices' operating power (efficiency and functionality) and energy/fuel consumption.
- 1.4 The Seller reserves the ownership and copyrights to all cost estimates, diagrams and other documents. Technical documents concerning the Products which are not publicly available become binding only if they have been confirmed by the Seller in writing, issued at the written request of the Purchaser only in justified cases. In the aforementioned event, the Purchaser is obliged to conclude a separate agreement with the Seller on maintaining confidentiality of all information and technical documents received from the Seller.

2) ORDERS, OFFER

- 2.1 Purchase Orders for Products (hereinafter referred to as "**Orders**") shall be submitted by the Purchaser to the Seller in writing.
- 2.2 The validity of the Order shall be suspended for 30 days upon being delivered to the Seller; if the Seller does not issue a written notice of rejection or a proposal to change one or more elements indicated in the Order within the specified period, the Order shall be deemed accepted and the sales agreement is thus concluded. An order placed by the Purchaser subject to a different time limit or subject to the possibility of its cancellation pursuant to Article 662 of the Civil Code shall be considered invalid and non-binding for the Seller. An order shall be deemed accepted also at the time when the Seller begins its execution. In any case, the Seller reserves the right to accept or decline the Order at its sole discretion.
- 2.3 The Seller reserves the right to introduce design changes to the Products, which do not affect their parameters, and the Purchaser shall not make any claims or complaints in such event. The right shall apply also after receiving the Order. However, the Seller shall not be obliged to make such changes to Products already issued to the Purchaser.
- 2.4 Orders for exclusive or custom-made products shall be made in writing by the Purchaser and may under no circumstances be cancelled by the Purchaser after being accepted by the Seller.
- 2.5 The Terms and Conditions of the Order shall be defined as *Delivered at Place* (DAP).
- 2.6 The Detailed Terms and Conditions of Sale (DTCS) shall become an integral document of these General Terms and Conditions upon signing. The Signed DTCS establish detailed terms and conditions of sales with the Purchaser, such as: discounts for particular groups of goods, payment terms, trade credit, minimum transaction values, bank exchange rate for transaction settlement, transaction collateral, INCOTERMS delivery terms, delivery costs and other crucial transaction terms.
- 2.7 Any oral or written recommendations of the Seller or its personnel regarding the use of the products shall be informational only, given in good faith to the best of knowledge at the time the recommendation is given. However, they are non-binding and shall not constitute the basis for any claims from the Purchaser. In particular, they shall not exempt the Purchaser, acting as a professional, from making its own technical and legal assessment as to whether the purchased Products are useful for the intended use.
- 2.8 The Seller reserves the ownership, copyrights and other rights to the documents constituting the commercial information (e.g. photographs, drawings, descriptions). They may only be made available by the Purchaser to third parties if the Seller has expressly stated in writing that they are intended for such purpose. In other cases, the Purchaser is always obliged to obtain the written consent of the Seller for such purpose.

- 2.9 The Seller reserves the right to accept or reject any requests for returning Products by the Purchaser, not resulting from complaints submitted in accordance with items 8 and 9 of these General Terms and Conditions. In such case, all costs of disassembly, transport, repair, reassembly of components and/or replacement of packaging of returned Products shall be borne by the Purchaser.
- 2.10 The Seller's offer is binding for a period of up to 2 (two) months from the date submitting it to the Purchaser via e-mail or letter to the address of the Purchaser's registered office, and in the case of a natural person conducting business activity to the address for delivery indicated in the entry in the Central Electronic Register and Information on Economic Activity, even if the date of its validity is not clearly indicated in the offer.
- 2.11 An offer submitted by the Seller may be modified before being accepted by the Purchaser. Any additions, changes or reservations concerning the offer shall require the Seller's written confirmation under pain of nullity.
- 2.12 In the case of a permanent business relationship, if the Purchaser receives an explicit offer to conclude an agreement within the scope of the core activity from the Seller, the offer shall be deemed accepted if the Purchaser does not respond immediately.

3) PRICES

- 3.1 Prices of the Products delivered to the Purchaser's registered office and/or warehouse shall be the prices as included in the Seller's price list in force at the time of delivery of the Products, unless the Parties have agreed otherwise in writing.
- 3.2 Unless otherwise agreed in the Order, the prices do not include the costs of taxes, customs duties, unloading, packaging, as well as possible assembly and technical acceptance of the Products; in case when the Purchaser picks up the Products on its own, the Seller shall charge the Purchaser the costs related to the processing of the Order, preparation of materials (packaging and transport) and making the Products available at the collection point.
- 3.3 Prices do not include VAT, other taxes, duties or other charges, if any, that may be added to cost of the Products in the Purchaser's country and are expressed in the currency used in the Seller's country, unless otherwise agreed in writing.
- 3.4 The Seller reserves the right to change the prices of the Products and inform the Purchaser about this fact 30 days in advance. Any change in the prices of the Products shall apply to Orders placed or dispatched by the Purchaser, with the exception of those already accepted by the Seller by written confirmation of the Order.

4) PAYMENT

- 4.1 Payment terms are indicated in the Order, unless otherwise stated by the Seller. Payment terms are calculated from the date of delivering a correct invoice to the

- Purchaser. Prepayments, if any, are indicated in the Order and bear no interest; the payment shall be made directly to the Seller by means of a bank transfer.
- 4.2 Payment to the Seller shall only be made by the natural or legal person who/which has concluded an agreement with the Seller as indicated on the invoice, unless otherwise agreed with the Seller in writing, at the latest prior to Seller's acceptance of the Order. Seller has the unilateral and undisputed right to refuse to accept any payments from third parties other than the Purchaser and/or not previously authorized by Seller in accordance with this clause, at its own discretion. All payments to the Seller shall be made to the Seller's bank account by means of a bank transfer from the Purchaser's bank account maintained in the country of the Purchaser's registered office.
 - 4.3 Unless otherwise agreed, payment for the Product shall be made at the latest upon delivery of the Product or registering the Product in the form of a service to be collected by the Purchaser. The Purchaser is obliged to provide the Seller with a written confirmation of the bank transfer. Payment shall be deemed to have been made only after the funds have been successfully transferred to the Seller.
 - 4.4 In the case of a direct payment, the funds shall be transferred via bank transfer - fixed currency the Seller as of the due date - at the bank indicated by the Seller. In the case of international payments, the costs of transferring funds from a foreign bank to the Seller's bank shall be borne entirely by the Purchaser.
 - 4.5 In cases where the Order allows for it, the Seller shall issue a bank direct debit for the amounts and payment dates specified in the invoice, payable on the due date. Direct debit between the Seller and the Purchaser shall be made in accordance with the provisions of the Act of 29 August 1997. - Banking law (i.e. Dz. U. No. 2017 item 1876, as amended).
 - 4.6 In order to secure payments resulting from the sale agreement concluded on the basis of these General Terms and Conditions and the signed Order (for the sale of Products), the Purchaser shall issue an *in blanco* bill along with a promissory note, in accordance with the template attached as Attachment 1 to the Detailed Terms and Conditions of Sale.
 - 4.7 The Seller shall return the bill and the promissory note to the Purchaser after the payments have been made.
 - 4.8 The Seller shall have the right to assign (book) the Purchaser's payments to cover any outstanding obligations of the Purchaser towards the Seller, despite the Purchaser's indications to the contrary. If costs and interest have already arisen, the Seller is entitled to first assign the Purchaser's payments cover the costs, followed by interest and finally to the main liability.
 - 4.9 The Purchaser undertakes, to the extent permitted by law, not to exercise its right to refrain from performing any obligations due to the Seller. Deduction of the Purchaser's

receivables from the Seller against the Seller's receivables from the Purchaser shall only take place with the Seller's written consent under pain of nullity.

- 4.10 If payment time limits are exceeded, the Seller shall be entitled to charge the Purchaser maximum interest for delay. Interest shall be paid to the Seller's bank account. Claims for further damage caused by delay and the right to post-maturity interest remain in force.
- 4.11 The Seller has the right to resell the Product ordered and not collected by the Purchaser within the time limit agreed upon in writing to other customers - in such case, the Purchaser is not entitled to any claims for damages against the Seller.
- 4.12 Under no circumstances shall the Purchaser be entitled to suspend or delay payment, including the event of a dispute, complaint and/or delayed installation or assembly of the Products. The Purchaser shall not be entitled to claim any compensation for damages against the Seller.
- 4.13 If payment, in whole or in part, is to be made upon being notified about the product being ready to dispatch, payment shall be made to the Seller within 3 (three) days after the Purchaser has received such notice. The notice shall be issued to the Purchaser in a manner which allows the Seller to receive delivery confirmation. Failing to issue payments in such manner shall give the Seller the right to cancel the relevant Order, subject to the provisions of item 10.
- 4.14 In the event of late payment, total or partial, the Purchaser shall be charged with the costs incurred to recover amounts not paid on time, without prejudice to the Seller's right to cancel the Order. Failure to pay a single instalment (as long as it exceeds the eighth part of the Price of the Products) shall automatically cause the entire amount to become immediately due, without prejudice to the Seller's right to cancel the Order. In such case, any instalments paid by the Purchaser shall count towards compensation to the Seller, while the Seller shall retain the right to claim a higher compensation in accordance with the general rules.
- 4.15 Subject to the above provisions, a possible delay in payment, as well as the occurrence of a situation, facts or events indicating the existing or foreseeable inability of the Purchaser to ensure proper performance of its obligations, shall automatically entitle the Seller to withhold all deliveries to the Purchaser, including those not directly related to the subject of the Order. The Seller shall not be held liable for any damage or adverse consequences resulting from the suspension of deliveries.
- 4.16 Under no circumstances shall the Purchaser be entitled to suspend or delay payment, including the event of a dispute, complaint and/or delayed installation or assembly of the Products. The Purchaser shall not be entitled to claim any compensation for damages against the Seller.
- 4.17 If the Purchaser does not fulfil its obligations towards the Seller, in particular obligations involving payments, e.g. fails to keep payment terms, and also in the event of instituting

proceedings to settle the Purchaser's obligations (e.g. in the event of filing a petition for bankruptcy, liquidation, enforcement proceedings or proceedings to pay claims of any kind) or in the event of failure by the Purchaser to fulfil other due obligations towards the Seller, as specified in these General Terms and Conditions, among others, the Seller shall be entitled to cease performing its obligations towards the Purchaser, including in particular the delivery of the Purchaser's Products or the provision of services, and to condition the further performance of its obligations towards the Purchaser on the Purchaser's choice of the Seller: payment in advance, provision of securities in the form indicated by the Seller or the performance of other obligations indicated by the Seller. If the advance payment, security or other obligation is not made even after the expiry of the time limit set by the Seller, the Seller shall be entitled, to the extent permitted by law, to terminate the agreement in respect of Products or services not yet delivered or performed, thus expiring all claims of the Purchaser for Products not yet delivered or services not performed. In the case of the aforementioned events, the Seller shall also have the right to pursue claims for retention of title in accordance with Clause 5 of the General Terms and Conditions instead of or in addition to terminating the agreement and further damages in accordance with the applicable laws. The right of withdrawal may be exercised within 18 (eighteen) months from the date on which the right of withdrawal arises.

- 4.18 The Seller shall be entitled to change payment terms and conditions of orders already placed with the Seller as well as future orders - by notifying the Purchaser - if the Purchaser does not meet the terms and conditions provided for in these General Terms and Conditions and/or there are situations, facts or events indicating an existing or foreseeable inability of the Purchaser to ensure proper performance of its obligations (for instance, in the event of failing to pay or make late payments to employees, social security institutions, suppliers or banks, protests on bills of exchange, enforcement on movable and/or immovable property, withdrawal of licences or permits, preparatory and/or initiating winding-up proceedings, requests initiating restructuring, bankruptcy proceedings, etc.).
- 4.19 Submitting a warranty claim by the Purchaser does not release the Purchaser from the obligation to cover the full price for the Products.

5) RETENTION OF TITLE AND ASSIGNMENT OF RECEIVABLES

- 5.1 The Seller reserves the right of ownership of the Products until the Purchaser pays the full price resulting from the agreement, including in particular, but not exclusively, the price of the Products, due tax and packaging costs. The Seller shall have the right to indicate the ownership of the product on an invoice make or take any other action necessary to confirm the ownership of the Products.

- 5.2 The sold Products shall remain the property of the Seller until the Purchaser makes the complete and full payment of the Price. The Purchaser has the right to resell or transfer the Products only in the normal course of business. The Purchaser undertakes to notify the Seller in due time of any seizure, confiscation or other actions requested by third parties with respect to Products purchased by the Purchaser from the Seller and which have not been repaid in full. The Purchaser shall not engage in any action or conduct that may impact the Seller's capability of identifying the Products owned by the latter as a result of this retention of title and shall include all necessary insurance policies to protect Seller against any damage caused to the Products and/or any third parties.
- 5.3 In case of delay in making the agreed payment for the Products, the Seller shall have the right to demand the return of the Products issued to the Purchaser and demand appropriate remuneration for their wear and tear or damage, among others. In such case, the Seller shall also have the right to terminate the agreement with the Purchaser with regards to unpaid Products by means of a written statement. The right of withdrawal may be exercised within 18 (eighteen) months from the date on which the right of withdrawal arises.
- 5.4 Subject to the provisions above, at the time of concluding the agreement, the Purchaser assigns to the Seller all receivables from its own customers as a result of reselling of the Products for an amount representing the total purchase price (including VAT) resulting from the invoice, to which it is a debtor. Irrespective of the assignment of such receivables, the Seller shall remain entitled to demand payment thereof; the Seller's right to demand payment of the receivables assigned to it shall also remain in force. The Seller undertakes not to request payment of such receivables if the Purchaser meets its own contractual payment obligations. In the event that either of the aforementioned circumstances arise, the Purchaser is obliged to provide the Seller with all information required to collect the assigned receivables and to provide the Seller with all relevant documentation, as well as to inform debtors (third parties) of the assignment of the receivables.

6) DELIVERY - TIME LIMITS

- 6.1 Delivery times, are counted in working days. Time limits for deliveries shall not be shorter than 15 days starting from the date the Order was delivered to the Seller's e-mail address submitted in writing beforehand. Similarly, where an Order includes an advance payment or a sale by lease, payment terms run from the date of receipt of the advance payment or the Order of the leasing company or financial institution to which payment has been ordered, as the case may be.
- 6.2 Unless the Parties agree otherwise, the place of performance shall be the Purchaser's registered office or the Purchaser's main place of business as indicated in the Detailed Terms and Conditions of Sale.

6.3 Time limits:

6.3.1 The contractual time limit shall be deemed to have been observed if the object of the agreement has been carried out before it expires, i.e. the Products have been received by the Purchaser or have been delivered by the Seller in accordance with the provisions of the Detailed Terms and Conditions of Sale.

6.3.2 If the Purchaser collects the Products from the Seller in person or with the assistance of a third party (e.g. forwarder, carrier), the delivery date shall be deemed to have been observed on the day on which the Purchaser was notified (e.g. by phone, e-mail) that the Products are ready for collection in the Seller's warehouse.

6.3.3 In the event that the Products are to be sent by the Seller to a place which different from the agreed place of performance, in case of doubt, issuing of the Products shall be deemed to have taken place when the Seller has submitted the Products for delivery to the place of destination by a professional carrier.

6.4 The costs of transporting the Product from the Seller's warehouse to the destination shall be borne by the Seller, unless the Parties agree otherwise.

6.5 In the event that the Seller is unable to meet the delivery dates due to, for instance, delays or non-delivery by its suppliers, interruption or suspension of transport, unavailability of energy supply, unavailability or insufficient quantity of raw materials, strikes or industrial disputes, as well as any other unforeseeable events beyond its reasonable control which prevent the normal performance of the Order (hereinafter referred to as "**Force Majeure**"), the time limits shall be suspended from the date on which the Purchaser is informed about such event. After 60 days from the occurrence and continued existence of such an event, either Party may terminate the Agreement by sending a written notification to the other Party and neither Party shall be entitled to make any claims against the other Party. In any case, the Seller shall not be considered a defaulting party or liable to the Purchaser if the non-compliance with these General Terms and Conditions or any delays in their performance are due to events beyond the reasonable control of the Seller, such as the events mentioned above. If the Seller fails to meet the time limit for carrying out the agreement for reasons attributable to the Seller, the Purchaser shall have the right to set the Seller an appropriate additional time limit, and after the expiry of the second time limit, the right to terminate the agreement subject to the mandatory provisions in this respect. Apart from the aforementioned right to terminate the Agreement, the Purchaser shall not be entitled to any other claims, in particular a claim for compensation for delay.

6.6 The Seller's compliance with the time limits for carrying out the agreement depends on the timely performance of its obligations by the Purchaser.

7) PLACE OF DELIVERY, DOCUMENTS AND TRANSPORT

- 7.1 Regardless of the agreement regarding transport costs, the delivery and simultaneous transfer of risk occur when the products are delivered to their destination, at the moment when the Purchaser is notified that they are ready for unloading.
- 7.2 If the Purchaser does not collect the Products in the case specified in item 6.3.2. of these General Terms and Conditions, the Seller may charge the Purchaser with a fee for insurance and storage of the Products - calculated from the first day of the calendar month following the month in which the Seller reported readiness to collect the Products until the day of their receipt. The Seller reserves the right to ship deliveries from its warehouses, located outside of its registered office in any case.
- 7.3 In the event that the Purchaser refuses to accept delivery of all or at least part of the Products at their destination, the Seller shall be entitled, at its sole discretion, to request the sale agreement to be partially or entirely carried out or terminated, subject to the provisions of item 10. The Seller shall be excluded from any liability for risks and costs arising from or relating to the storage of the Products.
- 7.4 The Seller shall have the right to resell the Products ordered but not collected by the Purchaser to other customers after a predetermined period of time. In such case, the Seller shall not be bound by the time limits for delivery of the Purchaser's Products after the Seller reports readiness to unload them or to deliver them to the Purchaser.
- 7.5 In the event that the shipment cannot be carried out for reasons attributable to the Purchaser, the Seller shall be entitled to charge additional fees, including the costs of insuring and storing the Products.
- 7.6 In the cases specified in items 6.2. and 6.3.3. of the General Terms and Conditions, in the event that the Purchaser or an authorized person is absent, the carrier selected by the Seller to carry out the shipping of the Products to the Purchaser shall leave a note indicating where and when the Purchaser may personally collect the Products. The time limit for collecting the Products by the Purchaser is 2 calendar days, counted from the day following the date of issuing the note. After the period lapses, the Seller shall charge a fee for storing and insuring the Products. The costs of storage and insurance of the Products shall be determined on the basis of the expenditures factually incurred by the Seller, but shall not be lower than 0.5% of the value of the Products as indicated on the invoices (bills) issued by the Seller, for each started calendar month.
- 7.7 In the cases specified in items 6.2. and 6.3.3. of these General Terms and Conditions, such as: the choice of the Freight Forwarder or carrier, transport type, transport route, type and scope of necessary protective measures, ensuring proper packaging of the Products shall be the Seller's obligation. The shipment will be insured by the Seller against the risk of theft, breakage, damage caused during transport, fire and water and other occurrences, and the total cost of the insurance shall be covered by the Seller.

- 7.8 The Seller offers a possibility of partial execution of the order (batches / partial shipments), after making appropriate prior arrangements with the Purchaser.
- 7.9 The risk of accidental loss of or damage to the Products shall pass to the Purchaser as soon as they are handed over to the Purchaser, to a person acting on its behalf or to the carrier at the place of performance, as well as in the case of reporting readiness for unloading or delivery.
- 7.10 Upon receiving the Products, the Purchaser shall be obliged to make the act with due diligence with regards to inspecting the shipment. In particular, the Purchaser shall report any remarks regarding visible damages to the shipment (e.g. damage to the packaging, loss or damage to the Products) upon receipt and shall take all actions necessary to determine the liability of the carrier (including entering damage and losses in the consignment note) and immediately contact the Seller. Failure to act with due diligence within the indicated period shall mean that the Products have been accepted by the Purchaser without objections and furthermore, may result in the loss of the Purchaser's warranty rights.
- 7.11 Unless otherwise agreed between the parties, the costs and charges associated with transport shall be incurred by the Seller, subject to separate agreements between the parties.
- 7.12 For the purposes indicated in item 7.1, the delivery date shall be to the date on which the delivery documents were issued.
- 7.13 Any changes to the destination indicated by the Purchaser after the Order had been issued shall not be binding to the Seller, unless they have been accepted by the Seller in writing.
- 7.14 Regardless of the arrangements regarding transport conditions, the carrier shall be selected by the Seller.
- 7.15 Any additional services requested by the Purchaser shall require issuing a prior written notification to the Purchaser and a written confirmation of accepting the additional service by the Seller in writing under pain of nullity.
- 7.16 Fees for assembly, maintenance work and commuting of the Seller's employees shall be settled separately, unless the Parties agree otherwise. The settlement includes travel costs, remuneration for the work of personnel carrying out assembly work, including additional remuneration for possible overtime, as well as working night shifts, Sundays and public holidays, and additional days off if they are performed on such dates and at such times for reasons attributable to the Purchaser.
- 7.17 Fixed prices for installation and maintenance work and travel to the installation site do not include overtime, night work, Sundays, public holidays and public holidays. Additional remuneration shall be due for working at the aforementioned times and dates, per Purchaser's request.

7.18 A positive start-up test carried out by the Seller shall mark the completion of works related to the assembly and start-up of the equipment. These activities are documented in the form of a service report, both during the initial start-up and in the case of servicing.

8) ACCEPTANCE OF PRODUCTS. PRODUCT RETURNS

8.1 The Purchaser shall immediately inspect the Products with due diligence upon receipt, at its own premises, and notify the Seller without undue delay of any shortages, defects or non-conformities found, except for defects, incompatibilities in models and irregularities in packaging or batch packages which fit within the typical tolerance level at the time and place of handing the Products over to the carrier or forwarder.

8.2 The Purchaser's notification of shortages, defects or non-conformity of the Products shall be immediately submitted to the Seller in writing and shall include a complete description of the defects and deficiencies along with information on the shipping documents of the Products. This information shall be submitted to the Seller no later than (i) 8 (eight) days after receiving the Products, in the case of sales to the Purchaser, or (ii) 30 (thirty) days after receiving the Products, in the case of sales to users of Products who are consumers within the meaning of applicable law and who intend to install the Products. The Products shall be considered accepted if the Purchaser has not questioned the completeness or conformity of the Products with the agreement after the expiry of the aforementioned period, calculated from the date of receiving the Products by the Purchaser, as indicated in the transport documents; or in any case, if the Products have been installed and commissioned before the expiry of this period.

8.3 Submitting a complaint does not entitle the Purchaser to invoke the Seller's default in order to avoid or delay payment of the price due for the ordered Products.

8.4 The Seller may agree to have the Products returned by the Purchaser. Any return of the Products to the Seller shall be agreed in advance and approved in writing by the Seller under pain of nullity.

8.5 Any Products returned to Seller shall be properly secured and prepared for transport. The Purchaser shall be liable for any damage resulting from improper preparation of the Products for transport.

8.6 The Seller accepts the return of only fully functional Products, unused, undamaged, having a factory packaging with undamaged seals together with complete documentation (including technical documentation).

8.7 The cost of accepting the return by the Seller is 10% (ten percent) of the net value of the Products.

8.8 If the return of the Products is not the result of an error on the part of the Seller, the costs of return and the cost of accepting the return shall be borne by the Purchaser.

9) WARRANTY

- 9.1 As soon as the Products are delivered to the Purchaser, the benefits and obligations associated with the Products and the risk of their accidental loss or damage shall pass to the Purchaser.
- 9.2 The warranty covers the territory of the Republic of Poland as well as the following countries: Czech Republic, Slovakia, Lithuania, Latvia, Estonia. The warranty period shall be determined by the Seller. The warranty period is calculated from the date of selling the Products to the Purchaser (the date of sale shall be understood as the date of delivery of the Products to the Purchaser). The terms and conditions of the Seller's warranty published on the website are an integral part of these General Terms and Conditions and the Detailed Terms and Conditions of Sale and remain in force for all sales transactions with the Seller (the "**Warranty**").
- 9.3 The Seller warrants that the Products are free from manufacturing defects within the meaning of Article 5561 and Article 5563 et seq. of the Civil Code. (physical and legal defects). The Purchaser shall notify the Seller in writing of any defects discovered within a maximum period of 8 (eight) days after discovery, otherwise the Warranty rights shall expire.
- 9.4 In the event of selling the Product to users who intend to install the Products, the Seller warrants that the Products shall be free from manufacturing defects after installation, within the time limits and under the standard Warranty terms and conditions. After a complaint has been submitted by the Purchaser within 8 (eight) days from discovering the defect, the Seller shall, at its own discretion, replace or repair the defective Products, or refund the amount paid by the Purchaser, within the time limits provided for in the standard Riello Warranty. The Seller shall have the right to test the Products after they have been returned and to charge the Purchaser with all costs incurred by the Seller in the event of reporting a false defect in the Product. The Seller shall acquire ownership of any replaced and/or returned Product or component.
- 9.5 In no event shall the Seller claim Warranty rights for Products that are found to be defective as a result of improper or inappropriate use, installation or maintenance. The Seller undertakes to not hold the Purchaser responsible for any complaints, demands, legal proceedings, accusations filed by third parties for loss or damage to property or for injury or death, only to the extent that the above damages, injuries or death are the result of wilful misconduct or gross negligence on the part of the Seller.
- 9.6 Except for wilful misconduct or gross negligence - including cases of Force Majeure and the case provided for in item 4.14 - The Seller shall not be held liable for damages suffered by the Purchaser or by third parties for the delivery of Products and in connection with any other obligation arising from and/or resulting from these General Terms and Conditions, including any direct and/or indirect damages or loss of profit, such

as, for instance: loss of revenue, loss of profit, *recalls*, damage caused to the company or its reputation, either foreseeable or unpredictable, including damages or losses resulting from defects of the Product sold, incurred by the Purchaser or a third party and (i) resulting from the agreement (including the Standard Warranty), prohibited act, objective liability or (ii) also in connection with the case in which the Products would be deemed, to infringe the rights of third parties, including industrial property rights of third parties, also due to possible legal proceedings, . Other warranties and remedies, expressed or implied, including any additional damages or compensation due to or claimed by anyone, are excluded. Subject to the provisions of this paragraph, the Seller shall in no case be held liable for an amount exceeding the selling price excluding VAT of the Order paid by the Purchaser, regardless of the type of damage or accidents.

- 9.7 Liability under the Warranty covers only defects resulting from causes inherent in the sold Products.
- 9.8 The Seller shall be relieved from liability under the Warranty on general terms and conditions, to the extent permitted by law, if the Purchaser was aware of the defect in the Products at the time of conclusion of the agreement.
- 9.9 The performance of obligations resulting from the Warranty shall take place within 14 calendar days, counting from the date of delivery / making the Products available to the Seller by the Purchaser. The Purchaser shall be obliged to provide the required amount of time and sufficient access to the Products, even if they have already been permanently installed by the user. Additional costs, which arise as a result of limited access to the Product or insufficient area for carrying out works, shall in each case be borne by the Purchaser.
- 9.10 If the Product (free from defects or defective) is not collected within the period indicated by the Seller due to the fault of the Purchaser, the Seller shall call on the Purchaser in writing or in another manner agreed with the Purchaser, to collect the Product within 14 calendar days from the date of receiving the notice. After the ineffective expiry of the time limit, the Seller is entitled to charge a fee for insurance and non-contractual storage of the Product. The costs and risks associated with storage shall be incurred by the Purchaser.
- 9.11 In the event of an unjustified complaint under the Warranty, the Seller shall have the right to charge the Purchaser with a fee for transport, servicing and activities carried out in accordance with the Seller's rates.
- 9.12 In the event that the Seller would issue a warranty card to the Purchaser together with the Product, in which it would specify the warranty terms differently than in the General Terms and Conditions, the provisions of such a warranty card will take precedence over the provisions of the General Terms and Conditions.

- 9.13 The Seller may refuse to perform the obligations resulting from the Warranty if the Purchaser fails to perform its obligations under the warranty granted by the Purchaser to the user of the Products, and in particular does not make correct entries in the warranty card issued to the user of the Product and does not register services related to the Product (including installation, first commissioning, inspections, warranty repairs, maintenance services) on the Servicing Sheets provided by the Seller.
- 9.14 The Seller and the Purchaser agree on the material liability of the Seller resulting from each Order, subject to mandatory regulations in this respect, maximally up to the price of the Product or service as indicated in the Order.
- 9.15 The Seller and the Purchaser unanimously exclude the Seller's liability towards the Purchaser under the warranty. The rights resulting from the aforementioned Warranty constitute the only basis for the Seller's liability towards the Purchaser.
- 9.16 Notwithstanding any other provision of these General Terms and Conditions, the Purchaser hereby agrees to indemnify the Seller, its management board, managers, representatives, employees, shareholders, creditors and bondholders against any action, claim, suit, loss, damage, cost, expense (including reasonable legal fees) or liability arising out of or related to any breach of these General Terms and Conditions, failure to comply with them or other acts or omissions of Purchaser, its management board, managers, representatives or employees, including but not limited to:
- 9.16.1 purchase, use, sale or installation by the Purchaser of the Products and parts supplied by the Seller;
 - 9.16.2 violation of any provision of these General Terms and Conditions by the Purchaser;
 - 9.16.3 omission or other illegal action of the Purchaser or its authorized representatives;
 - 9.16.4 representations or warranties not expressly permitted by the Seller in these General Terms and Conditions or in any other document binding on the Parties in writing;
 - 9.16.5 violation by the Purchaser of any law, regulation or provision that is or will be in force in the future;
 - 9.16.6 death or personal injury of persons using the Products caused by incorrect or incomplete information provided by the Purchaser to customers and/or Product users.

10) CONTRACTUAL PENALTY

- 10.1 Serious infringements on the part of the Purchaser, including cancellation of the Order before the expiry of its term, or failure to collect the Products within the agreed time limit, automatically entitle the Seller to retain the amounts already paid by the Purchaser and to demand, as a contractual penalty, the amount of 70% of the sales price, which in no

case excludes the right to apply any other measures provided for by law or to seek greater compensation on general terms.

11) ADDITIONAL SERVICES

- 11.1 If agreed between the Parties in writing, the Seller shall also provide additional services, in accordance with the Seller's price list of maintenance services such as: first commissioning, also by means of specialists - professionals representing the Seller or related to it. If the remuneration for such services has not been previously agreed upon by the Parties, the remuneration shall be determined on the basis of price lists typically applied by the Seller and professionals representing the Seller or professionals related to it. In the case of services not provided for in the Seller's price list, the hourly rate agreed in advance in writing shall apply.
- 11.2 In any case, the Purchaser shall incur the costs of preparatory works and delivery of materials necessary to perform additional services. The Purchaser shall therefore notify the Seller in writing without delay about the completion of the preparatory works and making the required materials available. The Purchaser to adhere to the applicable laws and regulations when selecting the place of installation of the Products, as well as when making air inlets and outflows, connections (water, compressed air, liquid and gaseous fuel, electricity, grounding, etc.). The Purchaser undertakes to obtain, by its own means and at its own expense, any permits required by applicable law and any other measures necessary for the provision of additional services.
- 11.3 If, for reasons beyond the Seller's control, the commencement and/or continuation of the additional services is delayed, the Purchaser shall cover the additional costs incurred on the basis of the price lists typically applied by the Seller and the hired experts.
- 11.4 The Purchaser shall provide the Seller with the necessary information regarding the risks associated with the working environment in which the Seller and/or its employees will provide additional services, as well as on the preventive and protective measures in place. In addition, the Purchaser undertakes to coordinate and cooperate with the Seller in order to comply with the necessary safety and security standards. The Purchaser shall be liable to the Seller and its personnel for any failure to comply with this article.

12) CONFIDENTIALITY

- 12.1 The Purchaser undertakes to maintain confidentiality of any information obtained in connection with the performance of the agreement and/or agreements concluded between the Seller and the Purchaser, and in particular not to use for its own purposes or the purpose of third parties and not to disclose any information concerning the Seller to third parties, including commercial information, pricing, marketing and commercial

policies, discount policy and other information the disclosure or use of which could in any way violate the interests of the Seller ("**Confidential Information**"). Notification of the fact of concluding an agreement with the Seller shall not constitute a breach of this obligation.

- 12.2 Disclosure of Confidential Information, with the exception of disclosure directly related to the performance of the agreement and/or agreements concluded between the Seller and the Purchaser, requires obtaining the prior written consent of the Seller.
- 12.3 In the event of the violation by the Purchaser of the provisions specified in items 12.1. and 12.2. of the General Terms and Conditions, the Seller shall be entitled to a contractual penalty in the amount of PLN 20,000.00 (twenty thousand) net for each case of breach of the above provisions, payable within the time limit indicated by the Seller. In the event that the value of damages resulting from the disclosure of Confidential Information would exceed the value of the contractual penalty, the Seller reserves the right to seek further compensation on general terms.

13) **TRANSFER PROHIBITION**

- 13.1 The Purchaser shall be prohibited from transferring or assigning rights and obligations arising from all agreements concluded with the Seller, including sales, service and delivery agreements, without obtaining the prior written consent of the Seller. In case of violating the prohibition, the Seller shall be entitled to terminate the agreement with effect from the day of termination, subject to the possibility of claiming compensation on general terms.

14) **TRADEMARKS**

- 14.1 Duplicating, using or applying any registered trademarks for the benefit of the Seller is prohibited, including in particular the word and trademark "Riello" registered in the Patent Office of the Republic of Poland under the number R.064100, and other distinguishing signs (not registered as trademarks) placed on the Products (hereinafter referred to as the "**Trademarks**"), unless permitted by means of a prior written consent of the Seller. The Purchaser shall be prohibited from removing, destroying or in any way altering the Trademarks, labels and other distinguishing labels placed on the Products, as well as from placing any other Trademarks, labels or distinguishing signs on the Products. Upon completing the sale of the Products for any reason, the Purchaser, shall immediately remove all Trademarks located inside or outside its point of sale, if any, and cease using all of the Seller's Trademarks.

15) COMPLIANCE WITH STANDARDS AND ETHICS

- 15.1 The Purchaser declares that it is aware of the provisions contained in the Code of Ethics and in the Code of Conduct adopted by Carrier, as well as their subsequent additions/amendments, available at the following addresses:

<https://www.corporate.carrier.com/corporate-responsibility/governance/ethics-compliance/>

hereinafter referred to as the “**Codes**”. Therefore, the Purchaser, including its management board members, employees, partners, undertake to act in accordance with the aforementioned Codes, and also undertake to act in a manner protecting the Seller from any allegations concerning adherence to the Codes including in particular the risk of imposing sanctions provided for in the standards contained therein either directly or indirectly.

- 15.2 Considering the fact that the Seller belongs to the Carrier group, and thus remains subject to export control laws and regulations issued by the government of the United States of America and other governments, the Purchaser undertakes to ensure that neither the Seller nor Carrier violates these laws and regulations. For this purpose, the Seller shall provide the Purchaser with all necessary explanations about these rights and regulations. The Purchaser undertakes to meet the requirements of such inspections and regulations in accordance with the Sellers requests.
- 15.3 The Purchaser also undertakes to comply with competition protection laws and undertakes not to engage in unlawful activities within the meaning of such laws.

16) COMPLIANCE WITH INTERNATIONAL TRADE AND NUCLEAR LEGISLATION

- 16.1 Purchaser acknowledges that Seller is subject to export controls and regulations established by the Government of the United States of America and other authorities. The Purchaser undertakes to act in a manner which will not cause the breach of these provisions by the Seller and will make all necessary declarations, to the extent required by the Seller, to comply with the principles of inspections and other regulations.
- 16.2 The Seller shall not be in violation of these General Terms and Conditions if its conduct was intended to comply with any export control laws or regulations that are or may be in force in the future.
- 16.3 The Purchaser undertakes to comply with all applicable export control regulations, and shall train its employees in this area using appropriate training materials.
- 16.4 The Purchaser will not knowingly export, reexport, or transfer Carrier Products directly or indirectly to: 1. Cuba, Iran, North Korea, Syria, or the Luhansk, Donetsk or Crimea regions of Ukraine or any other region that becomes restricted; 2. to an individual or

entity that is prohibited under Trade Control Laws from receiving the products, including, without limitation; 3) otherwise in violation of Trade Control Laws. The Purchaser will not provide warranty, repair, replacement, or guarantee services for Carrier Products in restricted countries, to denied parties, or otherwise in violation of Trade Control Laws.

- 16.5 Neither the Seller nor its subcontractors, suppliers or employees shall be held liable for any loss, damage or loss of possession of any property, including Purchaser's property, or for any loss, damage, loss of possession, personal injury or illness that arises as a result of a nuclear incident or is in connection with evacuation ordered in connection with the threat of such incident (whether or not the incident ultimately occurred) or for any threat, including nuclear threat. Purchaser waives, and shall require its insurers to waive, all claims against Seller and its subcontractors, suppliers and employees for any loss, damage, loss of possession, personal injury or illness. The Purchaser shall be fully liable to third parties for the acts and omissions of the Seller, its subcontractors, suppliers and employees for all claims of third parties arising from any cause (in particular, legal costs related to the assertion of claims, including the costs of legal representation) and shall indemnify the Seller from the obligation to satisfy claims of third parties, including negligence on the part of the Seller, its subcontractors, suppliers and employees arising from evacuation ordered in connection with the risk of nuclear disaster, or any damage at the Purchaser's or third party headquarters.

17) COMPETITION LAW

- 17.1 The Purchaser undertakes to comply with all applicable antitrust laws. In particular, the Purchaser shall not set prices in an unlawful manner, manipulate tenders, share markets or customers in cooperation with competitors, or exchange any price or commercial information with them. The Purchaser undertakes to train its employees in this area, using appropriate materials and in accordance with all the applicable legal regulations.

18) APPLICABLE LAWS AND JURISDICTION

- 18.1. Polish law shall apply to these General Terms and Conditions, Orders and sales agreements, provision of services and deliveries concluded and concluded by the Purchaser and the Seller.
- 18.2. All possible disputes between the Purchaser and the Seller related to these General Terms and Conditions, Orders and concluded agreements, in particular sales and delivery agreements, shall be subject to the exclusive resolution of the common court having jurisdiction over the Seller's registered office. However, the Seller reserves the right to take action against the Purchaser before the courts competent for the Purchaser's registered office.

19) VALIDITY

19.1. If any provision of these General Terms and Conditions is deemed unenforceable, invalid or ineffective in whole or in part, that shall not affect the validity of the remaining provisions or these General Terms and Conditions in full.

20) PRIVACY AND PERSONAL DATA PROTECTION

20.1 The Parties acknowledge and agree that in the execution and the administration of the Agreement, personal information of either Party will be collected and processed, as independent data controllers, for invoicing and contract execution and management purposes, and comply with any and all Data Privacy Laws. Where a Party provides the other Party with any personal information for such purpose, it will ensure that it has the legal right to do so, including obtaining consent and providing notice to the individuals whose personal information it has provided to the other, if needed. The Parties shall neither sell, nor exchange for anything of value, personal information processed in the course of the performance of the Agreement and thereafter.

20.2 Carrier may share personal information with Carrier's service providers and Carrier may store personal information on servers located and accessible globally by Carrier entities and their service providers but only in accordance with applicable data privacy laws and with appropriate protections in place. Data privacy is important to Carrier. For more information, consult our General Privacy Notice (www.corporate.carrier.com/legal/privacy-notice-general).

20.3 The use of some Carrier products and services may require specific data processing for e.g. user authentication. Depending on the product and services at stake, a specific Privacy Policy and Terms of Use may need to be accepted by the end-user.

20.4 This data privacy clause will survive the termination of the Agreement.

21) FINAL PROVISIONS

21.1. The fact that Seller does not exercise its rights under one or more clauses of these General Terms and Conditions at any given time shall not be regarded as a waiver of such rights, nor shall it prevent the subsequent timely and strict enforcement of such rights. These General Terms and Conditions, unless they have been replaced by provisions indicated in a particular Order or in another document signed by the Parties, regulate all sales, service and delivery agreements concluded by the Purchaser and the Seller and take precedence over any other clauses possibly introduced by the Purchaser to its own General Terms and Conditions of Sale, order confirmations, invoices or other commercial documents. All correspondence between the Parties shall be made via

registered mail with acknowledgement of receipt or by means of certified e-mail to the addresses provided by the Parties in writing.

- 21.2. If the Purchaser is a consumer within the meaning of the current legal regulations, i.e. in accordance with the provisions of Article 221 of the Civil Code, a natural person performing a legal transaction with an entrepreneur not directly related to its business or professional activity, selected provisions of these General Terms and Conditions shall not apply to such Purchaser - consumer, in accordance with the applicable legal regulations and are replaced by the relevant applicable regulations. That shall apply in particular to the provisions of these General Terms and Conditions with respect to the rules of return of Products, reservation of title and assignment, warranty, contractual penalties, court jurisdiction.

Attachment No. 1 - Detailed Terms and Conditions of Sale with Attachments