

## GENERAL TERMS OF SALES (GTS) KANLUX JOINT STOCK COMPANY

### I. DEFINITIONS AND SCOPE

- The expressions used in the text and written in capital letters are defined as follows:
  - „GTS“ – the present General Terms of Sales
  - „Goods“ – movable objects on offer of Kanlux Joint Stock Company
  - „The Seller“ – Kanlux Joint Stock Company
  - „The Buyer“ – subject concluding a contract with the Seller.
  - „Parties“ – both the Seller and the Buyer.
  - „Offer“ – recent offer of the Seller, placed on the company's website [www.kanlux.pl](http://www.kanlux.pl), as well as in other promotional materials. The Offer shall be treated solely as an invitation to negotiations.
  - „Individual Agreement“ – a detailed primary contract on the delivery of Goods concluded by the Parties.
  - „Order“ – an offer within the meaning of the Civil Code aimed at purchasing Goods submitted by the Buyer in accordance with these GTS.
  - „Confirmation“ – a written statement of the Seller confirming the acceptance of an Order.
  - „Sales Contract“ – sales contract concerning the Goods defined in the Confirmation.
- Whenever any of the expressions above are used in the text of GTS or Individual Agreement in their singular form, they also refer to the plural form and vice versa.
- Maintaining written form within the meaning of these GTS is achieved by drawing up a document, within the meaning of the provisions of Polish civil law, the content of which is expressed in words.
- Whenever a reference to a contractual clause is being made, it means, depending on the context, a reference either to a clause of the GTS or Individual Agreement.
- The present GTS define the rules of co-operation of the Parties in the scope of supply of Goods offered by the Seller to the Buyer, who purchases them in connection with the performed business activities (it does not apply to consumers).
- The general terms and conditions of purchase applied by the Buyer do not apply to sales made by the Seller.
- In relation to all deliveries made by the Seller, the Seller is obliged to apply these General Terms of Sales in the wording applicable on the date of placing the order.
- The present GTS constitute an integral part of each Individual Agreement and Sale Contract and are fully binding, unless the Parties between these contracts agreed otherwise.

### II. CONCLUDING A SALES CONTRACT

- Each Sales Contract is concluded on terms and conditions defined in GTS and Individual Agreement if the latter was concluded.
- An Order may be placed in writing, via electronic mail or internet communicators.
- With reservation to observe all the requirements defined by the competent legal regulations, the first Order should include the following data:
  - The document marked as an „Order“.
  - The name of the Buyer, its location, full address, number and place of registration (including a copy of proper certificate), or other marking used for identification in business transactions in the country where the Buyer is based,
  - Tax Identification Number (does not apply to Buyers who have already placed this document).
  - The quantity of Goods;
  - The ordered Goods – which should be defined with the use of trade name or symbol published in the Offer,
  - The specific time, place and conditions of the supply of Goods if they differ from those GTS.
- With reservation to observe all the requirements defined by the competent legal regulations, each following Order should include the name of the buying Party, as well as the quantity of Goods and their trade names or symbols used in the Offer.
- Each Order is binding for the Buyer.
- A Sales Contract between the Seller and the Buyer is formally concluded when the Seller issues a written Confirmation of an Order placed by the Buyer. The placement of an Order does not entail any obligations to the Seller, and if the Seller fails to answer such an Order, the Order may not be treated as accepted.
- The Seller may defer the sale if any doubts, concerning the veracity of the data included in the documents, referred to in point 3 arise.
- If any of the ordered Goods are currently unavailable on stock, the Seller confirms the remaining Goods included in the Order, unless the Buyer specifically stated that in case of lack of an individual article the whole Order is not valid.
- If the conditions of an Order are unacceptable, the Seller is obliged to notify the Buyer of such a fact via electronic mail within 3 working days from the date of reception of the Order, simultaneously proposing his own conditions of delivery. The Buyer's failure to produce an answer to such a document the following working day at the latest shall be treated as expressing agreement to the conditions of completing the Order defined by the Seller and thus as conclusion of the Sale Contract.

### III. PRICE AND PAYMENTS

- Unless the Parties agree otherwise, prices included in the current price list shall be binding. The price list is sent to the Buyer electronically, as are any changes thereto. The prices from the most recently sent price list from email addresses originating from the following domains are binding on the Buyer: [@kanlux.pl](mailto:@kanlux.pl) or [@kanlux.com](mailto:@kanlux.com)
- The Seller reserves the right to change prices at any moment.
- Unless the Parties agreed otherwise, the price of Goods is the **FCA** price, in compliance with Incoterms 2020.
- The Seller is entitled to complete the delivery of Goods in a few batches or before the agreed date.
- The date of completing the payment is the date when the required amount is credited to the Seller's bank account.
- If a defined amount shall be paid, the Seller is entitled to put this amount forward, covering any of the Buyer's debts, regardless of the payment title defined by the Buyer.
- Unless the Parties agree otherwise, the payment for ordered Goods is performed without deductions of mutual claims.
- The term of payment shall be calculated from the date of issuing of the invoice. If the due amount has not been paid in time, the Seller is entitled to charge the Buyer with statutory interest, in compliance with the Polish legal regulations and to demand prepayment for Goods included in the already confirmed consequent Orders.
- The Seller shall send the Buyer the accounts balance to be reconciled by the 15<sup>th</sup> of January each year. If the Buyer does not produce a reply until the 15<sup>th</sup> of February the same year, the balance is considered reconciled.
- The Buyer is charged with all the bank fees and costs, connected with the payment.

### IV. MERCANTILE CREDIT

- The Seller may grant the Buyer mercantile credit in an amount defined in the Individual Agreement. The mercantile credit is understood as the maximum amount of liabilities of the Buyer, resulting from the purchase of Goods from the Seller.
- If completing of an Order, placed by the Buyer, should result in exceeding the total granted amount of the mercantile credit, the Confirmation of such an Order is binding on condition (suspending) that until the day of the planned shipment or giving out the Goods, the Buyer shall repay such a part of his liabilities (even if in advance of the term of payment), so that the sum of the remaining liabilities, increased by the full price due for the delivery which has to be fulfilled, does not exceed the sum of the given mercantile credit.
- The mercantile credit is granted in the same currency as has been agreed by the Parties in the price list of Goods for the given Buyer.

### V. DISCOUNTS

On the basis of the Individual Agreement, the Buyer may be granted basic discount, entailing repetitive lowering of net prices, included in the current price list for the Goods sent to the Buyer.

### VI. GOODS

- Goods constituting subject of the Order shall be manufactured in compliance with all the requirements for Goods entering the territory of European Union.
- If the Goods need to comply with any norm specific for the country of the Buyer, the Buyer is obliged to inform the Seller about such requirements in the Order and to provide the Seller with the contents of such norms.
- The risk of inconsistency of the Goods with the additional locally binding norms in the country of the Buyer or the country of destination burdens the Buyer. The Seller does not take any responsibility for such an inconsistency – apart from the compliance with the regulations of the European Union or other regulations, clearly stated in the Order and approved by the Seller.
- The delivered products shall be marked by the Seller, in accordance with binding legal regulations and agreements between the Parties – however, within the limits set by the before mentioned regulations.
- The Buyer is obliged to indemnify the Seller against any third party claims related to the Goods and to provide the Seller with all possible assistance if any claims are filed against the Seller resulting from the Goods' failure to meet additional locally applicable standards referred to in point 3.

### VII. DELIVERY

- On conditions of the **FCA** formula, the Buyer collects the Goods on his own costs, using his own means of transport or transport company. The Seller's responsibility for the Goods expires at either of the terms described below:
  - when the Goods have been loaded onto a means of transport, the responsibility for damage or loss of the products is transferred to the Buyer,
  - if the collection of Goods is delayed, the responsibility expires on the day, on which the Goods should have been collected, in compliance with the Agreement or the Confirmation of the Order.
- The quantity and quality reception of Goods shall be conducted at the Buyer's premises or other location the Parties have agreed on. In case of application of the FCA formula, the quantity reception shall be conducted at the Seller's premises.
- The Buyer is obliged to control the Goods immediately after the reception, to make sure they comply with the Order. The Buyer should specifically control the condition of the parcel, the quality, quantity and assortment of the delivered Goods and instantly inform the Seller and transport company in writing of any discrepancies that may have arisen.
- If the Buyer collects the Goods without inspecting them or if the Buyer fails to promptly notify the Seller of any discrepancies, this shall be treated as confirmation of the correctness of the delivery.
- If the Buyer does not collect the Goods or refuses to collect them in the designated term, the Seller is entitled to place the Goods in the warehouse. The costs and risks, connected with such a procedure, burden the Buyer. The Seller is also entitled to demand a refund of the costs of transport and storage in the amount of 1 % of the value of the delivery for each day of storage.
- If the delay of the collection exceeds 2 weeks or if the Buyer refuses to collect the Goods, the Seller is entitled to terminate the Sales Contract and to sell the Goods to another customer.

### VIII. RESERVATION OF THE PROPERTY RIGHT

- The goods remain the Seller's property, until full payment for all the delivered Goods has been received by the Seller, regardless of the delivery of the Goods to the Buyer.
- If the Buyer sells the Goods to third parties, before the Seller has received full payment, the resulting income shall be used to pay all the liabilities to the Seller.

### IX. COMPLAINTS

- Any complaints regarding purchased Goods should be submitted in writing, in accordance with the provisions of the law applicable to the legal relationship of the Parties.
- The Seller does not bear any responsibility whatsoever for the damages resulting from the incapability of fulfilling the Order, caused by the lack of a given product in stock or due to delay of delivery of Goods by the Seller's suppliers.
- Any civil liability of the Seller towards the Buyer related to a specific order is limited to the amount equivalent to the net value of the ordered Goods.

### X. FORCE MAJEURE AND HARSHIP

- The Seller does not bear any responsibility to the Buyer, nor shall the Seller be deemed to act inconsistently with the provisions of GTS or any other agreements, binding the Parties, due to the delay of executing or failure to perform his duties, resulting from the Sales Contract, providing such a delay or failure have been caused by reasons independent of the Seller (e.g. activities of authorities, war, riots, fire, explosion, flood, extreme weather conditions, legal regulations concerning import and export embargoes, strikes, employees' disputes, or the incapability or delay in receiving supplies or labor force). In such cases, the Seller may, according to his own judgment, delay the execution of the Order or draw back from certain parts of or the whole Order.
- If the economic, trade, financial or political relationships change that could not have been predicted at the conclusion of the Sales Contract, and cause significant disturbance of the contractual balance, the Parties are obliged to renegotiate the conditions of the Order immediately in order to restore the said balance. The Party, whose situation has deteriorated, due to the above mentioned factors, should immediately notify the other Party of such an event in writing. If the Parties fail to reach agreement within 30 days from the date of such a notification of circumstances, justifying the renegotiations of such Sales Contract, which includes the present GTS, such a contract is considered as terminated in the part which has not been executed on the first day following the 30 days' period, devoted to renegotiations.

### XI. APPLICABLE LAW AND JURISDICTION

- The present GTS, Individual Agreement, as well as any other legal relationships, resulting thereof, are subject to the laws of the Republic of Poland excluding the provisions of the Convention of the United Nations on international sale of commodities drafted on 11th April, 1980
- Any disputes arising from these General Terms of Sales, the Individual Agreement, the Sales Agreement concluded as a result of Order Confirmation and all relations arising therefrom, in particular concerning their validity, effectiveness and the rights and obligations arising therefrom, shall be subject to resolution by Polish common courts having jurisdiction over the Seller.
- In the event of a dispute, the parties may agree on another method of resolving it, in particular by appointing an arbitration court.

### XII. FINAL PROVISIONS

- Shall any of the provisions of the present GTS, Individual Agreement, Order or other contractual provisions between the Parties prove invalid or ineffective, the Parties are obliged to reword them so that they are lawful, possibly well reflect the desired economic aim and remain binding.
- The present GTS and Individual Agreement can be translated into other languages. In case of doubt English version prevails.
- In issues not included in the present GTS, the regulations of the applicable laws of Republic of Poland shall be applied.
- The present GTS are in force from the day of acceptance by both Parties. Any changes to present GTS shall be valid only upon prior notification to the Buyer via electronic mail and by mutual acceptance by both Parties.
- If the Parties have not concluded an Individual Agreement, these GTS constitute an integral part of the Sales Contract if they are attached to the Confirmation.