

## GENERAL TERMS AND CONDITIONS OF SALE

### TESAR POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ

#### 1. DEFINITIONS

- 1.1. **"BUYER"** means an entity with which the SELLER has entered into a Contract to which these GTCS apply;
- 1.2. **"SELLER"** means TESAR POLSKA spółka z ograniczoną odpowiedzialnością (Limited Liability Company) with its registered office in Niepolomice, ul. Skarbowa 34, 32-005 Niepolomice, entered in the Register of Entrepreneurs of the National Court Register (KRS) kept by the District Court for Kraków – Śródmieście in Kraków, 12th Commercial Division of the National Court Register, under the KRS number 0000341614, REGON (Statistical ID No.): 241386501, NIP (Tax ID No.): 6342730934, share capital: PLN 100,000.00, BDO (Database on Products, Packaging and Waste Management): 000198462, having a large enterprise status within the meaning of the Act of 8 March 2013 on counteracting excessive delays in commercial transactions;
- 1.3. **"Party", "Parties"** means the SELLER or the BUYER, respectively, or the SELLER and the BUYER collectively;
- 1.4. **"GTCS" or "General Terms and Conditions of Sale"** means these general terms and conditions of sale;
- 1.5. **"Inquiry"** means an inquiry sent by the BUYER to the SELLER to receive a Response to Inquiry;
- 1.6. **"Response to Inquiry"** means a statement from the SELLER provided to the BUYER in response to the Inquiry, describing terms and conditions of a future Contract;
- 1.7. **"Purchase Order"**: whenever a Purchase Order is mentioned in these GTCS, it shall be understood to mean a purchase order placed in accordance with paragraph 4 GTCS;
- 1.8. **"Purchase Order Confirmation"** means a statement from the SELLER accepting the Purchase Order and confirming Purchase Order terms and conditions, including delivery address and date, to be provided to the BUYER upon receipt of a Purchase Order for Goods;
- 1.9. **"Contract"** means any agreement between the BUYER and the SELLER entered into as a result of a Purchase Order placed, and confirmed, laying down the basic terms and conditions of cooperation between the Parties, under which the SELLER undertakes to manufacture and deliver the Goods to the BUYER;
- 1.10. **"Goods"** means (cast resin or oil) transformers and instrument transformers manufactured and supplied by the SELLER, being the subject-matter of a Contract entered into with the BUYER;
- 1.11. **"SELLER's Email Address"** means an email address of a person authorised by the SELLER provided in the Purchase Order for the purposes of Contract performance;
- 1.12. **"BUYER's Email Address"** means an email address of a person authorised by the BUYER provided in the Purchase Order for the purposes of Contract performance;
- 1.13. **"Business Day", "Business Days"** means any day from Monday through Friday, except for public holidays in Poland as per the Non-working Days Act of 18 January 1951;
- 1.14. **"INCOTERMS"** means a set of international rules relating to the delivery of Products, as recommended and published by the International Chamber of Commerce (ICC);
- 1.15. **"CC"** means the [Polish] Civil Code of 23 April 1964.

#### 2. SCOPE OF APPLICATION

- 2.1. These GTCS form an integral part of the Contract entered into by the SELLER and the BUYER, and apply to all Purchase Orders placed by the BUYER with the SELLER, unless their application has been expressly excluded by the Parties.
- 2.2. In the event that the Parties have signed a separate cooperation agreement to govern the terms and conditions of the sale of Goods, the provisions of these GTCS shall not apply to such agreement.
- 2.3. In matters not regulated hereunder, the terms and conditions of INCOTERMS specified in the Purchase Order shall apply.
- 2.4. In the event of conflict between the contents of a Purchase Order, Purchase Order Confirmation, and the contents of these GTCS, the provisions of the Purchase Order Confirmation shall prevail.
- 2.5. The SELLER shall have the right to amend these GTCS. If any changes are made to these GTCS, the SELLER shall notify the BUYER thereof by email to be sent to the BUYER's Email Address. Amendments of these GTCS shall take effect 30 days after the BUYER has been notified of any such amendment.

#### 3. PURPOSE OF GTCS

- 3.1. The purpose of these GTCS is to lay down detailed rules for the sale of Goods offered by the SELLER, and to define the following:
  - 3.1.1. ordering procedure to be followed by the BUYER,
  - 3.1.2. delivery times and terms of delivery of Goods by the SELLER,
  - 3.1.3. price and due date determination method,
  - 3.1.4. terms and conditions of warranty,
  - 3.1.5. SELLER's liability,
  - 3.1.6. terms and conditions of Purchase Order cancellation.

#### 4. ORDERING

- 4.1. Goods are sold on the basis of Purchase Orders to be placed by the BUYER and confirmed by the SELLER.
- 4.2. The BUYER shall place its Purchase Order based on a Response to Inquiry within 30 calendar days of the date of delivery of the Response to Inquiry, unless the Response to Inquiry provides for a different time limit.
- 4.3. Purchase Orders for Goods shall be placed by the BUYER by email to be sent to the SELLER's Email Address, with such Purchase Orders to contain at least the elements referred to in paragraph 4.10 below. Purchase Orders may also be placed in writing and sent to the SELLER's mailing address: TESAR POLSKA spółka z ograniczoną odpowiedzialnością with its registered office in Niepolomice, ul. Skarbowa 34, 32-005 Niepolomice.
- 4.4. The SELLER shall confirm its acceptance of a Purchase Order within 3 business days of its receipt. Confirmation of the Purchase Order shall be in the same form in which the Purchase Order was placed.
- 4.5. In exceptional and justified cases, the SELLER shall, within the time limit referred to in paragraph 4.4 above, notify the BUYER of the extension of the Purchase Order Confirmation time, while identifying such an extended deadline.
- 4.6. In the event that the SELLER neither confirms nor rejects a Purchase Order in the manner and within the time limit referred to in paragraphs 4.4. and 4.5. above, it shall be deemed that the Purchase Order has not been accepted.
- 4.7. The date indicated in the Purchase Order Confirmation shall be considered by the Parties to be the Purchase Order completion date.
- 4.8. After the Purchase Order Confirmation is received, the BUYER shall not have the right to cancel or withdraw the Purchase Order, or modify the same, without an express prior consent of the SELLER which shall only be valid if it is given in writing or in an electronic format.
- 4.9. The Contract is entered into upon Confirmation of the Purchase Order by the SELLER. As of that moment, the Purchase Order and the Purchase Order Confirmation shall be effective and binding upon both Parties.
- 4.10. A Purchase Order should contain at least the following information:
  - 4.10.1. name of the Goods along with the specification of technical parameters and all accessories ordered,
  - 4.10.2. quantity of the Goods,
  - 4.10.3. price of the Goods,
  - 4.10.4. date of delivery,
  - 4.10.5. place of delivery,
  - 4.10.6. agreed delivery terms (INCOTERMS),
  - 4.10.7. method of packaging, if a method other than the standard one was agreed upon at the quotation stage,
  - 4.10.8. method of collection of the Goods,
  - 4.10.9. name and surname of the person authorised to place Purchase Orders and receive the Goods at the place of delivery.
- 4.11. If the BUYER fails to name the persons authorised to receive the Goods at the place of delivery, the Goods will be released to a person coming forward and purporting to be the person authorised to receive and acknowledge the receipt of delivery of the Goods.
- 4.12. The SELLER reserves the right to refuse to fulfil a Purchase Order for any of the following reasons:
  - 4.12.1. incomplete Purchase Order,
  - 4.12.2. no production stock,
  - 4.12.3. due to logistical or technical reasons,
  - 4.12.4. for other important reasons.
- 4.13. If the SELLER is not able to fulfil the Purchase Order within the time limit indicated by the BUYER in the Purchase Order for reasons referred to in paragraph 4.12 above, the SELLER shall notify the BUYER of a possible alternative method for Purchase Order fulfilment in the Purchase Order Confirmation.
- 4.14. In the case referred to in paragraph 4.13. above, the BUYER should, by sending an email to the SELLER's Email Address, give its consent for the Purchase Order to be fulfilled under the alternative terms proposed by the SELLER within 3 business days following receipt of the Purchase Order Confirmation from the SELLER. In case of no response from the BUYER, it shall be considered that the BUYER accepts the alternative terms and conditions of delivery.
- 4.15. The BUYER shall have no claim against the SELLER for any refusal of, or delay in the fulfilment of the Purchase Order made in the manner described hereinabove.

#### 5. DELIVERIES

- 5.1. The Goods ordered shall be delivered to the BUYER on DAP or EXW terms (INCOTERMS 2020), to be specified in the Purchase Order.
- 5.2. The BUYER or the person authorised by the BUYER in the Purchase Order shall be obligated to collect or receive the Goods on the date of delivery specified in the Purchase Order Confirmation.
- 5.3. The collection and receipt of the subject-matter of any Purchase Order shall be evidenced by a delivery document ("Delivery Document") to be signed by both Parties. The Delivery Document shall be signed for the SELLER by a logistician or warehouse operative present when the Goods are handed over to the carrier, and for the BUYER by a person authorised by the BUYER and present when the Goods are delivered. The Parties must acknowledge the receipt of the Goods by signing their names legibly on a hard copy of the Delivery Document or by signing their names legibly on an electronic device that generates an electronic Delivery Document. Should the BUYER's signature

- be illegible, this shall not form a basis for the delivery to be called into question, nor shall it prevent the Delivery Document or a sales document from being issued.
- 5.4. The risk of loss of, or damage to, the subject-matter of the Purchase Order shall pass to the BUYER upon delivery of the Goods to the place named in the Purchase Order, even if the receipt of Goods is refused for reasons attributable to the BUYER. The BUYER shall unload the Goods on its own at the place of delivery. The SELLER shall not be responsible for unloading the Goods unless the Purchase Order Confirmation provides otherwise.
- 5.5. The BUYER shall have an obligation to ensure safe access to the place of delivery.
- 5.6. If the BUYER fails to collect or receive the Goods handed over for delivery as per the terms and conditions of delivery agreed upon in the Purchase Order Confirmation for reasons attributable to the BUYER, the BUYER shall:
- 5.6.1. reimburse the shipping costs for the failed delivery,
- 5.6.2. reimburse the costs of storage of the Goods,
- 5.6.3. reimburse the costs incurred by the SELLER in connection with reshipping the Goods to the place of delivery.
- 5.7. Along with the delivery of the Goods, the BUYER shall be provided with the following:
- 5.7.1. one copy of standard technical documentation dedicated to the Goods concerned,
- 5.7.2. report relating to factory acceptance tests (FAT) carried out at the BUYER's request in accordance with paragraph 5.12.,
- 5.7.3. test report,
- 5.7.4. or other documents, as agreed with the BUYER at the quotation stage.
- 5.8. The standard technical documentation may also be sent to the BUYER in an electronic format at the BUYER's Email Address.
- 5.9. Any additional technical documentation shall be delivered to the BUYER at the BUYER's express request within the time limit to be jointly agreed upon by the Parties by email.
- 5.10. In the event that the standard or additional technical documentation is incomplete or defective, the BUYER shall notify the SELLER thereof within 5 business days of its receipt. Once that deadline is exceeded, the BUYER shall forfeit its rights to claim compensation in that respect. The SELLER shall complete the documentation or rectify any defects therein as soon as possible, not later, however, than within 14 days of receiving a notice of defectiveness/incompleteness thereof.
- 5.11. The SELLER shall carry out approval tests in accordance with IEC standards applicable to the Goods concerned at the SELLER's production facility. For approval tests to be repeated in the presence of the BUYER or a person authorised by the BUYER, an additional fee shall be charged.
- 5.12. At the BUYER's express request to be made in writing or by email, the SELLER shall carry out factory acceptance tests (FAT) to confirm that the parameters guaranteed for the Goods concerned have been achieved. Factory acceptance tests shall only be performed at the SELLER's production facility. Based on the factory acceptance tests, the SELLER shall prepare a factory acceptance report to be provided to the BUYER with the delivery of the Goods. The costs of factory acceptance tests shall be borne by the BUYER.
- 5.13. Prices listed in the Purchase Order Confirmation shall only include the costs of delivery of the Goods, materials, and the performance of services expressly referred to in the Purchase Order Confirmation. The SELLER stipulates that provision of any technical assistance during inspection, acceptance or installation of the Goods on site, or delivery of any materials or provision of any services which have not been previously agreed upon in writing, may be effected by the SELLER at the BUYER's express request and at an extra charge.
- 5.14. Any claims by the BUYER against the SELLER for SELLER's failure to fulfil any Purchase Order for reasons other than those referred to in paragraph 4.12 GTCS, or for default or delay in delivery, must result from the costs actually incurred and documented by the BUYER, shall not include any lost profits or consequential losses, and must not, in the aggregate, exceed 25% of the net value of the Purchase Order affected by the delay, default or non-delivery.
- 6. INSPECTION OF GOODS ON RECEIPT**
- 6.1. On the day of delivery of the Goods, the BUYER or a person authorised by the BUYER shall be obligated to carry out a quantitative and qualitative inspection and, in the case of products delivered in packaging, to check the condition of such packaging.
- 6.2. In the event that the Goods delivered are found to be non-compliant with the Purchase Order Confirmation in terms of the subject-matter of the Purchase Order, quantity and/or quality, the BUYER or the person authorised by the BUYER shall be obligated to draw up a discrepancy report to the delivery note and provide it to the carrier for signature.
- 6.3. The BUYER shall send a notice of defect, in writing or to the SELLER's Email Address, within 5 (say: five) business days following receipt of the Goods, with such notice to contain the following:
- 6.3.1. description of the non-conformity of Goods and a report drawn up by the BUYER at the place of delivery and signed by the carrier and the BUYER or the person authorised by the BUYER,
- 6.3.2. photographic documentation of the non-conformity found,
- 6.3.3. Delivery Document,
- 6.3.4. identification of the BUYER's claim.
- 6.4. In the event that a defect is found in the Goods, the BUYER may demand that the defect be rectified immediately, and if such rectification is not possible or if, after rectification, the Goods continue to have the same defect, the BUYER may demand that the defective Goods be replaced.
- 6.5. The SELLER shall examine the notice within 14 days of receiving a complete notice of defect.

- 6.6. The SELLER warrants that any defects discovered in accordance with paragraph 6.1 above shall be rectified within 30 days following receipt of the notice. Should it be impossible to rectify any defects within the aforementioned time limit due to the limited availability of spare parts, the SELLER reserves the right to extend the time limit for repair by the time required to procure such spare parts, of which the SELLER shall notify the BUYER each time prior to the expiration of the deadline referred to in the first sentence.
- 6.7. The BUYER shall have an obligation to enable the SELLER to inspect the Goods at the time and place to be jointly agreed upon by the Parties, failing which the notice of defect might not be processed.
- 6.8. At the time of defect notification, the defective Goods shall remain in their original packaging or in such packaging in which they were handed over to the BUYER.
- 6.9. The SELLER shall not be liable for the BUYER's use of the Goods, if such use takes place after the defect is detected and notified but before the notice of defect is processed. In such case, the BUYER shall be fully liable for the consequences of the use of Goods.
- 6.10. Notification of defects in the Goods shall not release the BUYER from its obligation to pay the amounts due under the Sales Contract on time.
- 6.11. Failure to fulfil any of the obligations referred to in paragraphs 6.1., 6.2., 6.3. GTCS by the BUYER shall lead to the BUYER's loss of its rights to effectively notify defects in the Goods.
- 6.12. Any claims by the BUYER relating to defects in the Goods for any reason whatsoever must result from the costs actually incurred and documented by the BUYER, shall not include any lost profits, and must not exceed 100% of the net value of the Purchase Order affected by the defect.
- 7. WARRANTY. STATUTORY WARRANTY FOR DEFECTS (Polish: REKOMIJA)**
- 7.1. The SELLER offers the BUYER a warranty on the Goods delivered. The warranty period shall begin to run as of the date that a VAT invoice is delivered to the BUYER.
- 7.2. The Goods that are delivered under Purchase Orders shall be subject to standard warranty on terms and conditions laid down in Appendix 1, Terms and Conditions of Warranty, to these GTCS.
- 7.3. The SELLER shall have no obligation to rectify any defects that are not covered by warranty as per the Terms and Conditions of Warranty; however, the SELLER may do so for an extra fee to be agreed upon between the Parties in separate negotiations.
- 7.4. When effecting Purchase Orders to be fulfilled under these GTCS, the SELLER excludes the application of the provisions of generally applicable laws relating to statutory warranty for defects.
- 7.5. The SELLER shall not be liable for any improper use, installation or storage of the Goods.
- 8. SETTLEMENTS BETWEEN THE PARTIES**
- 8.1. Invoices shall be issued on the date of shipment of the Goods and they shall be sent by the SELLER by email to the email address of the BUYER or by regular mail to the BUYER's mailing address.
- 8.2. Invoices should contain information corresponding to the facts, i.e. the correct number of the Goods as per the Delivery Document, price, name of the Goods, SELLER's bank account number, and reference to the Purchase Order number.
- 8.3. Payments should be made by transfer into the SELLER's bank account shown on the VAT invoice.
- 8.4. The day when the SELLER's bank account is credited shall be deemed to be the date of payment.
- 8.5. In the event of any delay in the payment of dues arising from VAT invoices, the SELLER shall have the right to charge interest for delay in commercial transactions.
- 8.6. The SELLER reserves the ownership of the Goods that are being sold until the entire price of the Goods is paid by the BUYER.
- 9. PURCHASE ORDER CANCELLATION**
- 9.1. The BUYER shall have the right to cancel its Purchase Order if the SELLER is late with the delivery of Goods by more than 30 days, subject to paragraph 4.13 GTCS.
- 9.2. The right to cancel the Purchase Order may be exercised, if the SELLER fails to deliver the Goods within an additional time limit, which shall not be less than 14 calendar days, to be set by the BUYER in its notice requesting that the Goods be delivered. The notice shall only be valid if it is made in writing or in an electronic format.
- 9.3. The SELLER shall have the right to cancel a Purchase Order in the following cases:
- 9.3.1. delay in the payment of any amounts owing to the SELLER by more than 30 calendar days,
- 9.3.2. gross breach by the BUYER of its material obligations under the Purchase Order, other than that referred to in paragraph 9.3.1. above.
- 9.4. The right to cancel the Purchase Order may be exercised, if the BUYER has not put an end to the breach referred to above despite an ineffective expiration of an additional time limit to be set by the SELLER in its notice of breach which shall not be less than 14 calendar days following delivery of the notice in writing to the BUYER. The notice shall only be valid if it is made in writing.
- 9.5. Either Party shall be entitled to exercise the right to withdraw from the Contract within 60 days following occurrence of any of the situations referred to in paragraphs 9.1 or 9.3 above. The declaration of withdrawal from the Contract shall only be valid if it is made in writing.
- 9.6. The SELLER hereby excludes the statutory right to withdraw from a contract to the fullest possible extent permitted by law.

**10. SUBCONTRACTORS**

- 10.1. The SELLER represents that it has the appropriate personnel and equipment required to fulfil Purchase Orders and is able to perform its obligations either on its own or with the help of subcontractors.
- 10.2. The SELLER shall be entitled to subcontract any part of the Purchase Order without the need to obtain a prior consent from the BUYER for any given scope of work to be entrusted to a subcontractor.
- 10.3. The SELLER shall be liable for any acts or omissions of its subcontractors as for its own acts or omissions.

**11. FORCE MAJEURE**

- 11.1. Force Majeure circumstances (hereinafter each individually referred to as "Force Majeure") shall be understood to mean all events and circumstances independent of the will of the Parties and external to the Party affected by the event or circumstance which affect the fulfilment of a Purchase Order or performance of any of the Party's obligations under the Purchase Order in part or in full, and which the Party affected by such event or circumstance, despite having exercised due diligence, could not have foreseen or, if such an event was foreseeable, its consequences could not have been avoided, foreseen or prevented.
- 11.2. Provided that the characteristics of Force Majeure described in paragraph 11.1. above are met, Force Majeure shall be deemed to include in particular the following: natural disasters, fires, explosions, wars, coups, embargoes, epidemics, general strikes, earthquakes, storms, floods, cyclones, hurricanes, tornadoes, meteorites or other natural disasters, changes in laws or orders of public or local government authorities.
- 11.3. The Parties hereby represent that in the event of any obstacles or delays in the performance of the Parties' obligations under the Contract due to COVID-19 or its mutations which arise after the date of the Contract, such obstacles or delays shall not be considered by the Parties to be Force Majeure, except for any new restrictions imposed by public authorities which directly or materially affect the ability of the Parties to perform their obligations under the Contract, and except for an increase in the incidence of COVID-19 among SELLER's employees, contractors or subcontractors.
- 11.4. The Parties are aware of the current situation related to the hostilities that began on 24.02.2022 in Ukraine; consequently, any events and circumstances relating to the above-described armed conflict that are impossible to be foreseen on the date of the Purchase Order may be considered to be Force Majeure, provided that such events and circumstances have the characteristics of Force Majeure described in paragraph 11.1. above and have a direct or material impact on the performance of the Party's contractual obligations.
- 11.5. Force Majeure shall also be understood by the Parties to mean interruptions, limitations or shortages in the supply of utilities necessary for the performance of the subject-matter of the Purchase Order, as well as any transportation restrictions, provided that such events and circumstances have the characteristics of Force Majeure described above and have a direct or material impact on the performance of contractual obligations.
- 11.6. The Party affected by Force Majeure shall notify the other Party thereof in writing or electronically without delay, not later, however, than within 14 business days of the occurrence of the effects of Force Majeure affecting that Party. The Party that has failed to make the aforementioned notification cannot exempt itself from liability for non-performance or improper performance of its obligation by invoking the occurrence of Force Majeure.
- 11.7. Moreover, in the event that, after the date that the Purchase Order is placed, a change in the economic situation occurs; restrictions on energy consumption/supply are imposed; change in the law takes place; or any other unforeseen events occur, and where such circumstances and events may have a direct or material impact on the ability of either Party to fulfil its obligations or exercise its rights under the Contract, then, as soon as possible after becoming aware that any such event has occurred, either Party may ask the other Party to meet in order to discuss the impact of such an event on the fulfilment of the Purchase Order. The Parties shall meet to agree in good faith upon any changes to the Contract that may be required to reflect, as far as possible, the commercial purpose of the Contract and to maintain in all material respects the overall balance of the Parties' rights and obligations under the Contract that existed prior to the occurrence of such an event. The Parties shall use their best efforts to make the relevant arrangements within 30 calendar days of the Party's request for a meeting. None of the following shall give rise to the rights referred to in this paragraph: (i) entry into force of a provision of law that was published in the Journal of Laws (*Polish: Dziennik Ustaw*) or in another relevant official journal prior to the signature of the Contract but which comes into force after the date of signature of the Contract; (ii) change in the rate of any taxes or public charges (excluding VAT); (iii) implementation of any new norms or standards in a given area, if the existing norms or standards can continue to be applied in accordance with the applicable law.

**12. CONFIDENTIAL INFORMATION**

- 12.1. The BUYER undertakes to keep secret and not to provide, disclose or use any information obtained in relation to the conclusion or performance of the Contract, including but not limited to trade secrets, technical and technological data or business secrets of the SELLER, as well as contractors or other entities affiliated by capital or management with the SELLER, including in particular the contents of the Contract and any communications between the Parties recorded in any format on any carriers, as well as any information relating to the Goods, without the SELLER's prior consent which shall only be valid if it is given in writing.
- 12.2. In the event that any third parties are used in the performance of the Contract, the BUYER shall impose confidentiality obligation upon such third parties on terms and conditions specified hereinabove.
- 12.3. The BUYER's obligations referred to above shall be unlimited in time and shall survive the termination of cooperation with the SELLER.

- 12.4. In the event of breach of any confidentiality obligations, the SELLER shall have the right to demand the BUYER to pay a contractual penalty of PLN 50,000 (say: fifty thousand zlotys) for each breach.

**13. INTELLECTUAL PROPERTY RIGHTS**

- 13.1. If, for the fulfilment of a Purchase Order, it is necessary for the SELLER to provide technical documentation or other documents which are a work (*Polish: utwór*) within the meaning of the Act of 4 February 1994 on Copyright and Related Rights (hereinafter: the "Documentation"), the SELLER shall grant to the BUYER a non-exclusive license to use any such work for the purposes of Purchase Order fulfilment as part of the fee under the Contract.
- 13.2. The non-exclusive license shall be granted to the BUYER in the following fields of exploitation:
- 13.2.1. use of the Documentation, including its presentation, exhibition or printing, solely for the purpose of using the Goods,
- 13.2.2. reproduction or fixation of the Documentation using other techniques, including storing in computer memory or uploading it on the BUYER's Intranet, saving it on data carriers, by any techniques, including printing, reprographic, IT or digital ones, solely for the purpose of using the Goods,
- 13.2.3. trading – solely as a result of transfer of ownership of the Goods.
- 13.3. The license for the Documentation shall be granted upon transfer of ownership of the Goods to the BUYER.
- 13.4. Any modification of, or change in, the Documentation shall require a prior consent of the SELLER which shall only be valid if it is given in writing.
- 13.5. The SELLER hereby represents that it owns all copyrights in and to the Documentation and is entitled to exercise those rights without any restrictions.

**14. PERSONAL DATA PROCESSING**

- 14.1. The BUYER undertakes, on behalf of the SELLER and towards all persons whose personal data are provided to the SELLER in connection with the fulfilment of any Purchase Order, to perform the obligation to provide information on the SELLER's processing of their personal data, and shall be held fully liable in that respect. The contents of the personal data processing information that the BUYER undertakes to provide is attached as Appendix 2 hereto. At the SELLER's request, the BUYER shall, not later than within 2 business days of receiving the relevant request, make a declaration to the SELLER of its performance of the aforementioned obligation towards the persons referred to hereinabove.
- 14.2. To the extent that, as part of performance of the Contract, one of the Parties processes personal data on behalf of the other Party or at its direction, the Parties shall, prior to the processing of any personal data, enter into a personal data processor agreement pursuant to Article 28(3) GDPR.

**15. FINAL PROVISIONS**

- 15.1. This document supersedes all general terms and conditions of sale applicable so far.
- 15.2. All communication between the Parties relating to Contract performance shall be in writing or via email by authorised persons, i.e. SELLER's Email Address and BUYER's Email Address.
- 15.3. These GTCS shall be governed by the Polish law.
- 15.4. The Parties shall endeavour to resolve any disputes by mutual negotiations. Should no agreement be reached between the Parties, the court of competent jurisdiction to examine the dispute shall be the Polish court having jurisdiction over the SELLER's registered office.
- 15.5. If one or more provisions of these GTCS or of the Contract are or become invalid or unenforceable, this shall not affect the validity or enforceability of their remaining provisions. The invalid or unenforceable provision shall be replaced by a provision of GTCS or of the Contract that comes as close as possible to achieving the purpose intended by the Parties.
- 15.6. The BUYER cannot assign or transfer any claims hereunder to any third parties without the SELLER's written consent.
- 15.7. The following Appendices shall form an integral part of these GTCS:
- 15.7.1. Appendix 1 – Terms and Conditions of Warranty;
- 15.7.2. Appendix 2 – SELLER's Information Clause.

Appendix 1 to GTCs

**TERMS AND CONDITIONS OF WARRANTY**

1. TESAR Polska Sp. z o.o. (Limited Liability Company) with its registered office in Niepołomice, ul. Skarbowska 34, 32-005 Niepołomice, entered in the Register of Entrepreneurs of the National Court Register (KRS) kept by the District Court for Kraków – Śródmieście in Kraków, 12th Commercial Division of the National Court Register, under the KRS number 0000341614, REGON (Statistical ID No.): 241386501, NIP (Tax ID No.): 6342730934, share capital: PLN 100,000.00, BDO (Database on Products, Packaging and Waste Management): 000198462 (hereinafter referred to as the "Seller"), offers the Buyer a warranty of 24 (say: twenty-four) months on the Goods.
2. The warranty period shall begin to run as of the date that a VAT invoice is delivered to the Buyer.
3. The Seller shall be liable under the warranty for defects in material and workmanship of the Goods if such defects are discovered during the warranty period and arise due to reasons caused by faulty manufacturing of the Goods or use of faulty materials in their manufacturing. In such case, the Seller shall rectify any deficiencies and remedy any defects in the Goods at the Seller's own cost.
4. The original VAT invoice issued by the Seller shall be the basis for the Buyer's warranty claims. The warranty shall expire if the Goods are installed, used or maintained in a manner that is contrary to the "Installation and Maintenance" manual.
5. Claims under this warranty shall not include any indirect or consequential losses resulting from the discovery of a defect, including lost profits.
6. Warranty repairs shall be performed free of charge, with the exception of daily maintenance activities, or activities that are not warranty repairs such as replacement of consumable parts, servicing, adjustments, parameter changes, cleaning, etc.
7. The Seller warrants that any defects discovered during the warranty period will be rectified within 30 days following receipt of a warranty claim. If the defects cannot be rectified within the aforementioned time limit due to the limited availability of spare parts, the Seller reserves the right to extend the time limit for repair by the time required to procure such parts, of which the Seller shall notify the Buyer each time prior to the expiration of the deadline referred to in the first sentence.
8. The warranty shall only be valid within the European Union.
9. The Buyer shall have an obligation to notify any defect within 7 days of its discovery in writing or by email to the Seller's mailing address or to the Seller's Email Address. Defect notification should be made in writing or in a document-like form, failing which it shall be null and void, and it should contain the following elements:
  - 9.1 description of the course of damage along with description of the time and place of damage,
  - 9.2 report of tests and measurements made before the transformer was put into service,
  - 9.3 Goods commissioning report in accordance with the supplied transformer "Installation and Maintenance" manual,
  - 9.4 photographic documentation of the following: Goods in their entirety; the defect being notified; the method of connection; and the chamber,
  - 9.5 serial number of the Goods in which the defect was found,
10. If the Buyer fails to notify the Seller of any defect within 7 days of its discovery in accordance with the procedure referred to in paragraph 9 above, the Buyer shall lose its rights under the warranty.
11. If the Goods continue to be used despite the discovery of a defect or fault, the Seller shall only be liable for the original defect.
12. Under the warranty, and provided that the defect is acknowledged by the Seller, the Buyer shall only have a claim for the following:
  - 12.1 rectification of defect; or
  - 12.2 replacement of Goods in the event that the defect cannot be rectified or if, despite repair, the defect continues to exist.
13. Our liability under the warranty shall not include or extend to:
  - 13.1 any defects resulting from the use of the Goods in a manner contrary to their intended use (e.g., overloading, excessive use, adverse weather conditions),
  - 13.2 any defects caused by mechanical damage,
  - 13.3 transport damage,
  - 13.4 any defects caused by fortuitous events (including but not limited to, e.g. flooding, fire, theft, vandalism),
  - 13.5 any defects caused by improper installation, commissioning, operation, maintenance (or lack thereof) of the Goods in a manner contrary to the "Installation and Maintenance" manual delivered to the Buyer together with the delivery of the Goods, or the applicable operating regulations of the power grid,
  - 13.6 any defects caused by the Goods being powered by electricity of parameters other than those for which the Goods have been designed and manufactured,
  - 13.7 any defects caused by improper storage of the Goods,
  - 13.8 tear and wear of the Goods or any parts thereof resulting from normal operation.
14. Any repairs, improvements or other alterations made to the Goods by the Buyer or third parties without prior written agreement with the Seller shall not be covered by warranty and they shall exclude the Buyer's rights under the warranty in full.
15. The Seller reserves the right to make technical modifications to improve the properties of the Goods.
16. The Buyer shall deliver any defective Goods or parts to the Seller (to the manufacturer's factory), unless the repair can be made at the place where the Goods are installed.
17. If the defect is found to be covered by warranty, all costs associated with transportation and repair shall be borne by the Seller.
18. If a warranty claim proves to be unfounded, all costs associated with its processing (i.e., in particular, the cost of transportation, repair or replacement of goods), shall be borne by the Buyer