

## GENERAL TERMS AND CONDITIONS OF PURCHASE OF GOODS by Konimpex Chemicals Sp. z o.o.

### § 1 Background provisions

1. These General Terms and Conditions of Purchase of Goods (hereinafter referred to as the GTCPG) apply to all commercial transactions between Konimpex Chemicals Sp. z o.o. (hereinafter referred to as KCH) and the Sender of goods (hereinafter referred to as the Sender), from which Konimpex Chemicals Sp. z o.o. acquires, upon payment, the Goods, i.e. chemical raw materials, for the needs of Konimpex Chemicals Sp. z o.o.
2. Acceptance by the Sender, including through commencement of processing of the order of purchase (hereinafter referred to as the Order), means processing of the Order under the following terms and conditions.
3. Exclusion and any amendments to the GTCPG can be made only by mutual agreement of all parties to commercial transactions and must be confirmed in writing.
4. On the basis of article 4c of Polish Act from 8 March 2013 about preventing excessive delays in commercial transactions we declare that the Company has status of large entrepreneur within the meaning of article 4 point 5 and 6 of abovementioned Act, which refers, in this scope, to definition of Annex I of COMMISSION REGULATION (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

### § 2 Processing of purchase

1. The be effective, the Order, as well as the confirmation of acceptance of the order for processing, sent by the Sender and any changes made in the Order, after acceptance of the Order for processing, require written form. Placing an Order by KCH and its acceptance by the Sender means commencement of its processing.
2. Lack of confirmation of acceptance the Order for processing by the Sender or lack of approval of changes in the Order after the acceptance for processing within 2 working days of sending the Order or information about its change, by the Sender, means its acceptance, under the terms and conditions specified in the Order or in the information about its change.
3. The prices indicated in the Order are binding and are net prices which can be increased by value-added tax VAT under the applicable provisions of law. Unless otherwise agreed, these prices include the cost of packaging and transportation of goods on DAP conditions under Incoterms 2010.
4. Unless otherwise agreed, insurance of the Goods is covered under Incoterms 2010.
5. With the shipment of goods, the Sender is obliged to immediately send to KCH, via email, a copy of documents related to the Order. The documents mean at least the purchase invoice which indicates the customs code of the goods and the certificate of analysis for each batch of the consignment, as well as the packing list and the waybill suitable for the means and mode of transport (e.g. CMR, B/L etc.).
6. The invoice, in addition to the items required by applicable law, should include KCH order number and exact number of the Sender's account, along with IBAN and SWIFT of the bank. Any doubt as to the preparation of documents must be agreed with KCH.
7. Immediately after issuance and sending of copies of documents by the Sender via e-mail, unless agreed otherwise or if nothing else implies from the terms and conditions of payment specified in the Order, the Sender immediately sends the original documents to the address of KCH. In case of delay in the dispatch of original documents the Sender can be charged with the costs associated with demurrage of the means of transport due to the inability of its clearance or unloading.
8. Unless otherwise indicated in the Order, the warehouse of Konimpex Koło, Klonowa 15, 62-600 Koło, Polska, from 8.00 to 18.00, is the place of unloading.
9. Unless the parties have agreed otherwise, payment deadline is 60 days from date of invoice.
10. If the prices of goods in the Order are expressed in a foreign currency, and the settlement between the Sender and KCH is in Polish zloty, the Parties apply the average exchange rate of the currency to convert the price into Polish zloty, as announced by the National Bank of Poland on the day preceding the date of invoice, and if the National Bank of Poland did not announce the rate on that date - the last rate announced by the NBP.
11. Delivery dates indicated in the Order are binding on the Parties. The delivery date is deemed observed when the ordered Goods are delivered in the right quantity, quality and in original, specified in the Order, properly labeled packaging, to the place of unloading unless other conditions of delivery imply from the contents of the order.
12. The Sender is obliged to deliver the goods of the manufacturer agreed in the negotiation process and identified by name in the Order unless the Parties have agreed otherwise.
13. KCH is not obliged to accept the Goods at an earlier date than the one specified in the Order. The same applies to partial deliveries provided without consultation.
14. The Sender is obliged to immediately inform KCH if there are any circumstances which indicate that it cannot meet the delivery dates specified in the Order. A delay in the transfer of information authorizes KCH to cancel the Order, to request a price reduction, as well as to reject the Goods already sent.

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15. Irrespective of the rights referred to in point 14, in case of delayed delivery, KCH reserves the right to charge the Sender with contractual penalties in the amount of 0.1% of the net value of the delivery for each day of delay. If the penalty does not cover the total loss suffered by KCH due to the delay in delivery, then KCH has the right to claim compensation on general principles, exceeding the value of charged contractual penalties.

### § 3 Packaging

1. Goods shipped to KCH must satisfy the requirements for packaging, labeling and protection of goods in transport, as defined in national and international law, including in particular the provisions of
  - a. Regulation (EC) No. 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No. 1907/2006 (EU OJ L 353 of 31 December 2008)
  - b. Commission Regulation (EU) No. 286/2011 of 10 March 2011 amending, for the purposes of its adaptation to technical and scientific progress, Regulation (EC) No. 1272/2008 of the European Parliament and of the Council on classification, labelling and packaging of substances and mixtures
  - c. The Act on chemical substances and their mixtures of 25<sup>th</sup> February 2011 (Journal of Laws No. 63, item 322) as amended

according to the legal status on the day of delivery of goods to KCH.

2. Unless stipulated otherwise, goods have to be packed in the manner customary for such a type of goods and must provide adequate protection during transport, relevant to the chosen mode of transport.
3. Packaging and protection of Goods also applies to pallets and their preparation, in the case of Goods delivered on pallets. Pallet type (wooden/plastic or other) and pallet size change, each time has to be confirmed by KCH in written form.
4. In the event of doubt as to the correct labeling of both neutral and dangerous goods, KCH has to be consulted with to make sure that pallets, bags and containers are labeled according to the requirements of KCH.
5. All packaging, if possible, should be recyclable or reusable.

### § 4 Complaints

1. Generally applicable provisions of Polish law apply to complaints, subject to the following arrangements.
2. In any case, it is expected that the goods are compliant with the specifications of KCH (including specific min/max values for each parameters) as evidenced by certificates/attestations sent by the Sender, for a specific batch and has stable quality regardless parameters from TDS. Any changes in the above-mentioned documents, so as changes in production process, must be in writing, given not later than 14 days after implementation of changes, at the latest before loading of the goods.
- 2a. All changes listed below:
  - a) In the production process (production methods, parameters, machineries), which may influence product characteristics,
  - b) Equipment used for measurements of parameters from TDS (calibration and functionality according to national and international standards),
  - c) Production location or other marketing facilities,
  - d) Change of manufacturing sources, including suppliers,
  - e) Formula changes of material compositions or structural changes (change in a percentage of an active component, change of grade)
  - f) Unit packaging and bulk packaging, including labels, pictograms (if necessary) , style and pallet type, are for KCH key points, which have direct impact for decision making process in material purchasing. Each change listed above requires written acceptance from KCH, given not later than 14 days after implementation of changes, at the latest before loading of the goods.
3. KCH has the right to cancel the Order, if implemented changes listed in point 2 and 3 are not compliant with client's requirements or might have influence on their production process or acceptance of the Order might be under condition, living the risk of client's complaint on the Sender side.
4. Goods delivered to KCH required minimum 6 month of valid shelf life from the production date. Production date and expiration date have to be included on COA. KCH can refuse to take material which has shorter than 3 month shelf life, including transportation time to pointed by KCH warehouse in Poland.
5. KCH is not liable for damage to the Goods and their packaging until unloading.
6. The Sender is liable for non-performance or improper performance of an obligation arising from a confirmed Order, resulting from its own and culpable act or omission.

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Improper performance of an obligation is understood primarily as delivery of Goods which were not the subject of the Order and significant delays in delivery of Goods, even if the Goods are compliant.

7. If nothing else results from the Order, the delivery of ordered goods to the warehouse of KCH indicated in the Order is the moment of transfer of danger on KCH.
8. At the reception of the Goods at the warehouse, KCH is obliged to check its compliance with the ordered quantity and external defects or other visible damages. Thus found defects are reported by KCH to the Sender within 7 days of delivery. Other defects revealed during the use of the goods by customers of KCH will be reported by KCH to the Sender within 14 days after their detection.
9. The manner of resolution of a complaint depends on the individual agreements between the parties. After accepting the complaint, KCH mainly reserves the right to:
  - a. replace such goods with ones free of defects (in this case, unless otherwise agreed, the Sender will pick up the defective goods at its own risk and expense),
  - b. reduction the purchase price or a refund of the price of defective or missing Goods,
  - c. obtain a discount on future purchases,
  - d. request delivery of the missing Goods at the expense and risk of the Sender.

In any case the Sender takes full responsibility for the damage caused to the property of KCH and is obliged to cover the costs associated with the reported complaint and the costs arising in connection with the liquidation of the damage.

10. Subject to point 6 of this section, if the Sender is notified by KCH of a complaint concerning the parameters of the given goods, KCH is obliged to forward the tests indicating the differences between the results and specifications. In such a situation, the Sender immediately checks the forwarded tests with the main technologist, it sends comments on the differences and the reasons of discrepancies, as well as adds missing information, if any. The Sender provides technical knowledge on specific properties of the goods and makes every effort to ensure that there are no discrepancies. If there is a need to carefully inspect the goods with regard to the technical, physical, chemical, or other parameters, tests are carried out by the Sender or by KCH at the expense of the Sender. The Parties notify each other about the cost of testing and are obliged to evidence such in writing.
11. Any reported complaints are considered by the Sender within 30 calendar days from the date of notification.
12. If the complaint is not resolved within that period, KCH is entitled to buy goods of similar quality and similar quantity at the expense and risk of the Sender.
13. KCH reserves the right to calculate and charge the Sender with contractual penalties in the amount of 0.1% of the net value of the defective goods for each day of delay in fulfillment of the obligation of the Sender arising from the agreed manner of complaint resolution. If the penalty does not cover the total loss suffered by KCH with regard to the complaint, it has the right to claim compensation on general principles, exceeding the value of charged contractual penalties.
14. Unless the parties have agreed otherwise, or unless something else implies from the documents to the delivery, the warranty period for the goods purchased from the Sender is 24 months from the production date shown on the quality certificate.

#### § 4a Subcontractors

1. The Subcontractor shall mean any entity providing a service or performing other work indirectly in the goods delivery for example transport, loading for Sender or any entity producing and delivering to the Sender components for production of final goods for KCH.
2. The Sender has the responsibility for assuring that each subcontractor, including components producers (if applicable) has the capability of processing material, so that final goods is according to KCH requirements.
3. The Sender shall assure that each subcontractor has an effective, documented quality control program and that this program shall be available for review on request.
4. The Sender shall have an adequate system for examination of supplied material/material used for production upon receipt for identification, completeness, quality, damage or whatever is required by the contract.
5. The Sender has the responsibility for assuring that all material supplied consistently conforms to the latest specifications. This shall be carried out by one or a combination of receiving inspection(s) and/or tests of material to evaluate the process performance of the subcontractor.
6. When a delivery is found to be in error, or when product problems are experienced, subsequent deliveries shall be verified until assurance is provided that the material consistently conforms to specifications.

#### § 5 Final provisions

1. The GTCPG are an integral part of the Purchase Order.
2. Force majeure, preventing or impeding processing of the Order, causes an extension of the delivery date for the duration of this obstacle.

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3. The Party affected by a force majeure event will immediately notice the other Party about the delay no later than within 5 working days of the event, stating the assumed duration and possible date of resumption of supplies.
4. If the obstacles resulting from force majeure last longer than 14 days, either Party has the right to withdraw from processing of the Order.
5. KCH reserves the right to audit the Quality Management System or the product at the premises of the Sender's or the manufacturer's of the Goods supplied by the Sender, through their representatives and/or representatives of Clients of KCH, after prior notification of the scope, duration and date of the audit.
6. Contractual penalties indicated in the GTCPG are subject to accumulation.
7. The Parties reserve the right to claim damages exceeding the amount of contractual penalties stipulated in the GTCPG and compensation for other damages than those specified in the content of the GTCPG arising from processing of the Order, according to general rules.
8. Contractual penalty will be payable within 14 days from the date of Request for payment issued by KCH. KCH is entitled to deduct the penalty from the current payments due to the Sender.
9. The Sender is committed to make sure that KCH, by acceptance of goods and their further distribution or consumption, does not breach any patents or other rights of third parties. The Sender is obliged to inform KCH about violation of rights, if any.
10. The Sender agrees to comply with generally applicable Polish law in processing of the Order, and the delivery and service must meet the requirements of the provisions on health and safety at work and the provisions of relevant standards.
11. In case of doubt, the time limits specified in the GTCPG are counted from the time of notification of the other Party.
12. In the case of invalidity, unenforceability or irrelevance of certain provisions of the GTCPG, the remaining provisions remain in force. In such a situation, the invalid provisions will be replaced by other provisions previously agreed by the parties unless the circumstances indicate that without the invalid provisions the action would not take place.
13. All information contained in these GTCPG and annexes and obtained by the Parties in the course of or in connection with processing of Orders, particularly the prices of goods, freight rates, the conditions of processing of Orders, information about the contractors, goods and any other relevant details, constitute a trade secret and cannot be disclosed to third parties or used in any other form, in particular, in their own interest, in the course of trade relations between the Parties and within one year of their completion, for purposes other than those related to processing of the Order.
14. The Parties jointly agree that the law Polish applies in all matters, including litigation, regarding processing of the Order. If, however, the provisions of relevant international agreements or conventions provide for mandatory rules then in place, then such a provision will be replaced by the appropriate regulations without affecting the validity of the remaining provisions of the GTCPG.
15. Provisions of generally applicable Polish law, especially the Civil Code, apply to any matters not covered herein.
16. Any dispute arising from these General Terms and Conditions of Purchase of Goods or in connection herewith will be resolved by the Parties amicably. In the event of failure of the Parties to reach agreement within 30 days of the occurrence of the dispute, i.e. notification of any objections to the Order, in the case of Senders whose seat is located within the territory of Poland, the case will be settled by Common Courts locally and materially competent for the seat of KCH.

If the Sender is located outside the territory of Poland, then all disputes arising out of the GTCPG and the agreement with the Sender or in connection with them, will be finally settled under the Rules of the Court of Arbitration at the Polish Chamber of Commerce (<https://www.sakig.pl/>) in force on the day of initiation of the proceedings, by the arbitrator or arbitrators appointed in accordance with the said Rules under the substantive Polish law.