

General Terms and Conditions for Purchase and Deliveries

1. General/Form of legally binding declarations

- 1.1 These General Terms and Conditions ("GTCs") shall apply exclusively to companies within the meaning of Section Article 43¹ of the Polish Civil Code i.e. natural persons or legal entities that provide the service in the course of pursuing their commercial or independent professional activities.
- 1.2 Different terms and conditions of the Supplier shall only apply if and to the extent expressly acknowledged by the Ordering Party in writing. The Ordering Party's silence regarding such different terms and conditions shall not be deemed in particular to be acknowledgement or consent, and this shall also apply to future contracts.
- 1.3 These GTCs shall apply in place of any terms and conditions, especially general terms and conditions of the Supplier, also where such terms and conditions stipulate that a purchase order or call-up is deemed to be the unconditional recognition of the general terms and conditions, or the Ordering Party orders/calls up, after the Supplier has referred to the validity of its general terms and conditions, unless the Ordering Party has expressly waived the validity of these GTCs. By accepting the order confirmation, the Supplier expressly acknowledges that it waives its legal objection derived from its general terms and conditions or other conditions of the Supplier. Legally binding declarations by the Ordering Party within the scope of the contractual relationship shall only be valid when given in writing unless text form (e-mail or fax) is sufficient according to these GTCs.

2. Purchase orders

- 2.1 Purchase orders and their amendments/modifications shall only be valid when given in writing. The conveyance of purchase orders and call-ups via remote data transmission and EDP printouts, especially from the Ordering Party's order centres, shall be valid without signature.
- 2.2 If the Supplier fails to accept the purchase order within 14 calendar days of receipt, the Ordering Party can revoke it. Purchase orders shall be deemed accepted if the Supplier does not contradict them in writing or text form (e-mail or fax) within 5 calendar days, if the Ordering Party has expressly indicated this legal consequence in the purchase order/call-up.

3. Change of delivery item and object of performance

The Ordering Party shall have the right at any time to request changes to the purchase order resp. delivery item and object of performance and the associated services which can be reasonably expected of the Supplier. The Supplier shall carefully examine the Ordering Party's change request immediately and notify the Ordering Party of the effects of the changes on the structure of the contract (such as deadlines, scheduling, acceptance terms and remuneration) and shall submit a quotation for the change immediately to the Ordering Party at prices in line with prevailing market rates. The Ordering Party shall examine the Supplier's quotation for the change. Only when the Ordering Party notifies the Supplier of its acceptance of its quotation for the change in writing shall the change take effect.

4. Delivery/Passing of risk/Packaging material

- 4.1 Unless otherwise agreed, the Supplier's services shall be deemed delivered duty unpaid (DAP Incoterms 2010) to the agreed recipients including packaging. The Supplier shall agree the means of transport with the Ordering Party. The Supplier shall unload the delivery item at the place of delivery and bring it into the place of delivery.
- 4.2 According to the agreed DAP Incoterms 2010, the risk shall pass upon delivery of the delivery item. Notwithstanding this, the risk in the case of deliveries, which also include the assembly or installation of the delivery item and other services that require acceptance, shall pass upon

acceptance. If the Ordering Party negligently delays acceptance, the date of readiness for acceptance shall be decisive for such deliveries.

- 4.3 The Supplier shall, when delivering the delivery item, provide the Ordering Party with all documents (in an English version and a version written in the respective local language of the country where the delivery item will be used by the Ordering Party) that are required for the safe operation of the delivery item and/or specified in the respective specifications.
- 4.4 The timeliness of deliveries shall be decisive for their receipt at the agreed recipient. The timeliness of deliveries including assembly/installation and services requiring acceptance shall be decisive for their acceptance. If the Ordering Party negligently delays acceptance, the date of readiness for acceptance shall be decisive for such services.
- 4.5 Where delay in a delivery or service is foreseeable resp. where the quality of a delivery or service is not in compliance with the contract, the Supplier shall notify the Ordering Party immediately in writing or text form (e-mail or fax) and obtain its decision. This shall also apply if the Supplier is not responsible for the delay in delivery and/or service. Acceptance of a delayed delivery/service shall not be deemed a waiver of claims for damages.
- 4.6 If technically and logistically possible within the scope of the Ordering Party's business operations, the Ordering Party shall dispose of packaging material and charge the costs to the Supplier. Otherwise the Supplier shall collect packaging at its expense on a regular basis from the Ordering Party and duly dispose of it.

5. Invoices and payments

- 5.1 Payments shall be made, unless otherwise agreed, after 30 calendar days net without deduction of cash discount. The term of payment shall begin as soon as the delivery or service is provided in full (and, in the case of works, was accepted by the Ordering Party) and the duly issued invoice has been received by the Ordering Party. An invoice shall only be deemed duly issued if it states the Ordering Party's purchase order number.
- 5.2 Payments shall not constitute any acknowledgement by the Ordering Party that the delivery or services comply with the contract.
- 5.3 The Supplier shall be responsible itself for the correct payment of taxes on all payments made by the Ordering Party. The remuneration shall be paid together with turnover tax added at the legally valid rate if and in so far as the Supplier's services are subject to turnover tax and if the Supplier issues a correct invoice according to the provisions of the Act on VAT. If it is established that the Supplier's services are not subject to turnover tax, the Supplier shall reimburse the incorrectly shown turnover tax immediately to the Ordering Party, waiving the defence of disenrichment and Article 409 of the Polish Civil Code.

6. Warranty

- 6.1 The warranty period of 24 months for production components shall commence upon delivery of the BSH product in which the production components were integrated to the end customer (at the latest, however, 12 months after the risk passes to the Ordering Party), in all other cases upon the passing of risk in the case of purchase contracts and the acceptance of the service in the case of contracts for works or deliveries with assembly and/or installation.
- 6.2 In the case of material defects and defects of title, the Supplier shall be liable for the duration of the warranty period to the extent that the Ordering Party shall have the right at its option to request replacement, remedy of defects or a reasonable price reduction and to request damages instead of performance.

- 6.3 In urgent cases (e.g. to prevent interruption of production), the Ordering Party shall have the right to remedy the defects determined itself at the Supplier's expense without fixing a deadline.
- 6.4 The Supplier shall bear the costs and risk of returning defective delivery items. The foregoing rights shall be subject to the regular limitation period according to Article 118 and 120 of the Polish Civil Code.
- 6.5 In cases of subsequent fulfilment (supplementary performance, *świadczenie zastępcze*) the Supplier undertakes to bear all expenses necessary for the purpose of subsequent fulfilment, in particular but without limitation transportation costs, travel costs, labour costs and the cost of materials as well as costs of removal and subsequent reinstallation (assembly and disassembly costs, *koszty instalacji i usunięcia instalacji*).
- 6.6 The deliveries must be made in compliance with the European Union Directive 2002/95/EC resp. Directive 2011/65/EU as of expiry of the transposition period ("RoHS") on the restriction of the use of certain hazardous substances in electrical and electronic equipment and Art. 59 (1) and Art. 33 of Regulation (EC) No 1907/2006 ("REACH"). Furthermore, hazardous substances must be specified and their conformity confirmed to the Ordering Party using the BSH Declaration List resp. in another form specified by the Ordering Party (<http://www.bsh-group.de/index.php?page=1144>).
- 6.7 The Supplier further warrants that the delivery items shall be in good quality and in good quantity and warrants the conformity of the delivery item with the essential requirements and assessment procedures stipulated in European Community legislation for the delivery item. Proof of this must be certified according to the Act on general products safety resp. EC Machinery Directive by written EC declaration of conformity or manufacturer's declaration (depending on the type of application) in Poland and by the delivery item bearing the CE marking.
- 7. Incoming goods inspection**
- 7.1 The Ordering Party shall inspect immediately after receipt of the deliveries whether they correspond to the ordered quantity and the ordered type and whether there are any visible transport damages or visible defects. Notice of obvious defects must be given within promptly after the receipt of the delivery/service, notice of hidden defects promptly after their discovery.
- 7.2 If a defective delivery results in the necessity for a higher level of control for incoming goods than is customary in terms of defects, quality or deviation from the agreed characteristics, the Supplier shall bear the costs for this.
- 8. Property rights**
- 8.1 The Supplier warrants that the delivery items are free of third-party rights. The Supplier shall indemnify the Ordering Party in particular against third-party claims for infringement of property rights.
- 8.2 If the Ordering Party resp. its customers is (are) prohibited from manufacturing and/or delivering due to infringement of a property right, the Supplier shall make good the damage incurred by the Ordering Party and, at the Ordering Party's option, shall obtain a licence from the property right holder or take back the delivered goods.
- 9. Open Source Software**
- 9.1 The Supplier undertakes that its service includes only Free and Open Source Software, the use thereof having been previously released in writing by the Ordering Party.
- 9.2 "Free and Open Source Software" ("FOSS") is software provided by the right holder to any users royalty-free with the right to process and/or disseminate on the basis of a licence or other contractual arrangement.
- 9.3 If the Supplier uses released FOSS, the Supplier shall be obliged, irrespective of its obligation to comply with the terms of the licence, to provide the Ordering Party with a list of all FOSS components used,

indicating the licence respectively to be used, a copy of the full licence text and the existing copyright information and copyright notices, and to make available the corresponding source code of the FOSS components.

10. Product liability

10.1 In the case that claims are asserted by third parties against the Ordering Party for infringement of national or foreign product liability laws based on such defects in Products that are attributable to the delivered Products or based on other acts or omissions attributable to the Supplier, the Supplier shall hold harmless and indemnify the Ordering Party from any such claims and shall reimburse the Ordering Party for any costs incurred by the Ordering Party in connection therewith, to the extent that the asserted damage originates from the sphere of responsibility, domain or organisation of the Supplier and the Supplier itself is liable in the external relationship towards the third party claimant. The Supplier shall reimburse the Ordering Party for any costs incurred by the Ordering Party in connection with the defence of unjustified claims asserted by third parties, to the extent that the alleged damage would originate from the sphere of responsibility, domain or organisation of the Supplier.

10.2 The Supplier shall reimburse the Ordering Party for any and all costs incurred by the Ordering Party in connection with recall actions or other product safety measures (e.g. warnings, replacements, product modifications or retrofits) that are reasonable in terms of preventing potential damage, to the extent that such potential damage originates from the sphere of responsibility, domain or organisation of the Supplier. The Ordering Party will inform the Supplier – if and to the extent possible and reasonable – about the type and scope of any such recall action or other safety measure and give the Supplier the opportunity to comment thereon. Further claims of the Ordering Party shall remain unaffected.

11. Business liability insurance and product liability insurance

The Supplier undertakes for the duration of the contractual relationship to conclude an appropriate business liability insurance and product liability insurance and to maintain them for at least 5 years after the contract ends.

12. Supplies

The Ordering Party shall retain title to substances or parts supplied by the Ordering Party. They may only be used for their intended purpose. Such substances shall only be processed and parts assembled for the Ordering Party. The Ordering Party shall become co-owner of products manufactured using its substances and parts in the ratio of the value of the supplies to the value of the product as a whole which the Supplier shall hold in safe custody for the Ordering Party. In the case of a reduction in value or losses, the Supplier shall compensate the Ordering Party.

13. Tools, moulds, samples etc.

Tools, moulds, samples, models, profiles, drawings, test specifications, standard specification sheets, art work masters and gauges provided by the Ordering Party as well as objects manufactured according to them may not be passed on to third parties nor used for purposes other than the contractual purposes without the Operating Party's written consent. They must be protected against unauthorised inspection and use. Subject to further rights, the Ordering Party can request their surrender, in particular if the Supplier violates these obligations.

14. Return of documents, non-disclosure

14.1 The Supplier shall treat the conclusion and results of the contract, business transactions and the know-how and experience in providing the services acquired from and about the Ordering Party or other information ("Information") obtained within the scope of the business relationship as secret with respect to unauthorised third parties as long as and if this has not lawfully entered the public domain unless a legal or official obligation to disclose exists or the Ordering Party has consented in writing to Information being passed on in an individual case. The Supplier shall use this Information exclusively for the purposes

required to provide the services. This obligation of secrecy shall also survive termination of the contractual relationship for a period of 3 years.

14.2 The Supplier undertakes to keep safe all property of the Ordering Party or Affiliated Companies within the meaning of Article 4 § 1 4 i 5) of the Polish Commercial Companies Code in its possession, in particular keys, files, data stored electronically and other documents relating to the business operations of the Ordering Party or Affiliated Companies in such a way that they cannot fall into the hands of unauthorised third parties. All documents must be delivered to the Ordering Party at any time upon request, at the latest when the contractual relationship ends without being requested to do so, or destroyed. In the case of data transmitted to the Supplier by the Ordering Party, the Ordering Party shall also have a right against the Supplier for the Supplier to make a declaration to cease and desist with a penalty clause for the benefit of the Ordering Party.

15. Foreign trade

The Supplier shall be obliged to notify the Ordering Party in writing of any permit requirements relating to the (re-)export of the products according to national, European, US export and customs regulations, applicable to the contractual relationship, and of export and customs regulations of the country of origin of the products. For this purpose, the Supplier shall provide the Ordering Party with all necessary information. This includes in particular but is not limited to: (i) all relevant export list numbers; (ii) the Export Control Classification Number (ECCN) of the U.S. Commerce Control List if the products fall within the scope of the U.S. Export Control Administration Regulations; (iii) the customs tariff number according to the current commodity classification of foreign trade statistics and the HS Code (Harmonized System); (iv) declaration of origin (non-preferential origin) of each product ; (v) the Supplier's declaration on the preferential origin for suppliers from the European Union (if requested by us); (vi) preference certificates for non-European suppliers (if requested by the Ordering Party). At the Ordering Party's request, the Supplier shall be obliged to promptly provide all other foreign trade data relating to the products to be delivered according to the contract and their components in writing and notify the Ordering Party immediately (before delivery of the products accordingly concerned) in writing of any changes to the above data.

16. Corporate social responsibility

The Supplier undertakes to comply with the laws of the respectively applicable legal system(s), not to tolerate any form of corruption and bribery, to respect the fundamental rights of its employees and the prohibition on child and forced labour. The Supplier shall furthermore assume responsibility for the health and safety of its employees at the workplace, provide for fair pay and working hours, comply with environmental legislation and use its best efforts to promote and demand compliance with such principles from its own suppliers.

17. Spare parts for obsolete series production requirements

17.1 The Supplier undertakes to supply spare parts to the Operating Party, also after discontinuation of series delivery ("DSD"), for the average useful life of the respective delivery item, in the case of production components for at least 7 years. The supply of such spare parts shall also be subject to the provisions of these General Terms and Conditions.

17.2 The Ordering Party shall have the right, within a period of 6 months after DSD to cover spare parts requirements of BSH for the underlying delivery items still according to the terms and conditions of the series delivery ("**Interim Coverage**"). The Ordering Party shall seek final coverage for the period after expiry of the 7 years.

17.3 Spare parts can also be supplied with the Ordering Party's consent from current production. Consent shall only be given if no additional expenses are incurred by the Ordering Party and no quality impairment occurs.

17.4 Spare parts shall be supplied to agreed spare parts warehouses after DSD.

18. Force majeure

Force majeure, including operational disruptions through no fault of the Ordering Party, unrest and other unavoidable events shall entitle the Ordering Party, irrespective of its other rights, to rescind the contract in whole or in part provided such events are not of insignificant duration (i.e. persist for longer than 4 weeks) and result in a substantial reduction of the Ordering Party's requirements and the Ordering Party notifies the Supplier of the obstacle immediately. In such case the Ordering Party is entitled to rescind the contract within consecutive 3 months after the 4-weeks Force majeure period.

19. Assignment

The Supplier shall have the right to assign the claims and other rights and obligations only with the prior written consent of the Ordering Party. The Supplier consents that the Ordering Party has the right to assign the claims and other rights and obligations under the contract.

20. Place of jurisdiction, applicable law

20.1 Any disputes arising hereunder shall be settled exclusively before a competent Warsaw (city) court of law, Poland.

20.2 The contractual relationship is governed exclusively by the law of the Poland, to the exclusion of conflict of law provisions and the uniform United Nations Sales Convention (CISG).