

## **Attachment no. 1**

### **SYNTHOS GROUP GENERAL TERMS AND CONDITIONS OF SALE**

Attachment to Synthos S.A. Management Board Resolution no. IX/2/2020 of 20.01.2020

## **SYNTHOS GROUP**

### **GENERAL TERMS AND CONDITIONS OF SALE**

#### **I. DEFINITIONS**

1. GTCS – means this General Terms and Conditions of Sale.
2. Agreement - means a sale agreement concluded by and between the Supplier and the Buyer, together with the attachments constituting an integral part thereof, including GTCS.
3. Product – means goods being subject of sale under the Agreement.
4. Supplier – means Synthos Dwory 7 spółka z ograniczoną odpowiedzialnością sp.j. or/and Synthos Kralupy a.s. or/and Synthos PBR s.r.o. or/and any other Synthos Group company, depending on which of them is the party hereto.
5. Buyer – means any domestic or foreign legal entity or person purchasing Products from the Supplier.
6. Party, Parties – means the Supplier, the Buyer or both parties together.
7. Order – written order or the First Order submitted by the Buyer to the Supplier, signed by the person/persons authorized to represent the Buyer containing all the details provided for in point IV.3 hereinafter.
8. First Order – the first Order submitted by the Buyer to the Supplier. The First Order should include at least the following details: address of the Buyer's registered office; Buyer's tax identification number; Buyer's registration number; extract from the Buyer's commercial register, if any; documents confirming authorization of the person/persons signing the Order to act on behalf of the Buyer (e.g. power of attorney), if it exists, a document confirming number of a bank account.
9. Crate – returnable metal container that can be provided by the Supplier as packaging of the Product.

#### **II. GENERAL PROVISIONS**

1. These GTCS determine the rules regarding the conclusion of the Agreement and rights, obligations and the scope of responsibilities of the Parties in relation to any Agreement on sale and delivery of the Product of the Supplier, and shall constitute an integral part of all Agreements.
2. Shall any of the provisions of the GTCS be found contrary to the provisions hereof, provisions of the Agreement prevail.
3. Shall any of the provisions of the GTCS be found contrary or in conflict with any documents other than the Agreement (e.g. the Buyer's General Terms), provisions of the GTCS prevail.

#### **III. PRODUCTS AND PRICES**

1. The Supplier shall deliver the Products in accordance with the provisions hereof and it shall not be held liable for their further use.
2. All prices are net prices, without VAT. The Supplier shall add any taxes applicable pursuant to the binding legal provisions.

#### **IV. CONCLUSION OF THE AGREEMENT**

1. The Parties may conclude the Agreement by means of:
  - a. signing a written contract between the Parties, or
  - b. order confirmed and accepted by the Supplier. The correspondence regarding the Order shall be made in writing and shall be sent by any of the following means: by post, via e-mail or by fax.
2. Unless accepted by the Supplier, the Order shall not be binding for the Supplier, and lack of the Supplier's answer in no event shall be understood as an acceptance of the Order.

3. Each Order shall include at least the following details:
  - a. the Buyer's data, in particular tax identification number, as well as address and exact delivery address, if the delivery address is not the same as the Buyer's address, and additionally, legible first name and the surname, as well as the telephone number of a person authorized to contact the Supplier regarding the performance of the Agreement,
  - b. detailed information about the ordered Product (technical specification, quantity etc.),
  - c. the Buyer's signature or a signature of a person/persons authorized to submit the Order,
  - d. preferred date and as well as the terms and conditions of delivery.
4. The Agreement shall be deemed concluded at the time of the direct confirmation of the Buyer's Order by the Supplier in accordance with the terms and conditions determined in the Order's confirmation.

#### **V. DELIVERY TERMS**

1. Product can be delivered only to the Buyer or its representative indicated by the person authorized to represent the Buyer.
2. If the Product is delivered to the Buyer in returnable containers, such as IBCs etc., the Buyer is obliged to return them within the time specified in the invoice, Order confirmation or in the Agreement. If the containers are not returned within the given time, the Parties agree to consider them as sold to the Buyer and the Supplier shall be entitled to issue a VAT invoice to the Buyer for the market price of such containers. In such a case the Buyer shall pay the Supplier the amount indicated in such invoice within the time provided therein.
- 2a. If the Product is delivered to the Buyer in Crates, the Buyer shall be obliged to keep the Crates in good condition (normal wear and tear accepted). The Buyer is not entitled to refill or re-use the Crates, as well as move the Crates to location other than final place of delivery of the Product agreed by the Parties without previous consent of the Supplier (in written form or by email). The Buyer shall be obliged to put empty Crates at the disposal of the third party indicated by the Supplier (hereinafter referred to as "de-hire") in accordance with instructions provided by the Supplier, within:
  - a) 30 days from the receipt of the Crate – for places of delivery in Europe and
  - b) 60 days from the receipt of the Crate – for places of delivery outside Europe  
(hereinafter referred to as "Loan Period").

The Buyer shall take full responsibility for the Crates within the Loan Period. The Supplier shall be entitled to charge the Buyer a late-return penalty of EUR 0.40 per Crate per day starting on the first day after the expiry of the Loan Period, if the Crates are not de-hired. A charge of EUR 300 per Crate will be levied by the Supplier on the Buyer for each lost or damaged Crate. A Crate is deemed to be lost if it is not de-hired within:

- a) 90 days after expiry of the Loan Period – for places of delivery in Europe,
- b) 120 days after the expiry of the Loan Period – for places of delivery outside Europe.

The Buyer shall reimburse all other costs borne by the Supplier in connection with late de-hire of the Crates by the Buyer, any damage caused to the Crates while in possession of the Buyer or violation of other obligations stipulated in this paragraph, including any compensation, penalties or other charges charged from the Supplier by a third party in connection with lease of the Crates.

3. Deliveries shall be carried out pursuant to INCOTERMS 2010 clauses as referred to in the Agreement, unless otherwise agreed by the Parties in writing otherwise being null and void. If there is an alternation of the delivery terms and conditions provided for in the Agreement, the provisions of the Supplier's confirmation of the Buyer's Order shall prevail.
4. If the Buyer provides its own transportation, the Buyer shall guarantee the cleanness and technical conditions of means of transport in accordance with the norms regulating the transport of Product which is the subject of the Order, and the Supplier shall be released from any liability for damages arising due to the failure to satisfy the abovementioned conditions, and also the Supplier shall have no obligation to notify the Buyer that the Buyer's containers are not appropriate.

5. The quantity of the Product delivered may differ from the quantity ordered up to +/- 10%, and such delivery shall be considered as the proper fulfilment of the provisions of the Agreement, and as a consequence the Buyer shall be obliged to accept the delivery of the Products.
6. The Supplier shall have the right to withhold any delivery in case of the Buyer's delay in payment of the agreed a. fees, b. prices and / or c. amounts due (or already paid) provided for in point VI.3 hereinafter.
7. The transfer of risk shall be governed by the delivery terms provided for in point V.3 hereinabove.
8. The Supplier may change the previously determined delivery dates due to reasons other than force majeure, in particular in the event of occurrence of logistics difficulties or diminished capabilities of its carriers. In such a case the Supplier shall be obliged to inform the Buyer immediately, however no later than within 2 working days from the occurrence of such obstacles, setting a new delivery date which shall be no later than 14 days after the original delivery date.

## **VI. TERMS OF PAYMENT**

1. The Buyer shall authorize the Supplier to issue VAT invoices without the Buyer's signature.
2. The Parties declare that they are active VAT taxpayers.
3. If the supply is qualified as an intra-community transaction as defined in Article 138 of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax, the Buyer shall notify the Supplier, in writing and before the supply takes place, which VAT number they use for each transaction and, in case transport is not arranged by or on behalf of the Supplier, that the Product is transported by him or on his behalf to another EC Member State. If, in the above described situation, the Supplier shall invoice the Buyer with 0% VAT, whereas the Buyer shall provide the Supplier as soon as possible with the documents proving that the Product has been transported to another EC Member State. The Buyer shall provide a written statement consistent with the template approved by the Supplier, in accordance with Article 45a sec. 1 point b(i) Council Implementing Regulation (EU) No 282/2011 of 15 March 2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax (as amended by Council Implementing Regulation (EU) No 2018/1912 of 4.12.2018), as well as a copy of signed CMR consignment note/bill of lading, not later than until 10<sup>th</sup> day of the month following the month in which the delivery took place. The Buyer shall be liable for any VAT and fines due/paid by the Supplier if the abovementioned documents are not received in time by the Supplier or contain false, inaccurate or misleading data. If the VAT number can not be verified with fiscal authorities in due time, or if such verification is not confirmed by fiscal authorities, the supply shall be deemed to be a national supply and VAT will be levied accordingly. If goods are transported by or on behalf of the Supplier and fiscal authorities do not accept the proof that the Product has been delivered to another EC Member State, the Buyer shall do his utmost to provide the Supplier with additional information and to assist the Supplier in having the proof accepted.
4. The Buyer shall make payments to the Supplier of the amounts due/paid by the Supplier according to point VI.3 hereinabove (including VAT) within the time-limit indicated in the invoice, correcting invoice or accounting note. Shall the Buyer be found in delay of such payment, the Supplier shall set-off the abovementioned amounts from any payment made by the Buyer.
5. Invoices shall be sent to the Buyer following shipment of the Product, unless otherwise agreed by the Parties.
6. The total payment for the Product shall be made in full according to the invoice within 30 calendar days after the date of issue of the invoice to the Supplier's bank account specified therein, unless otherwise agreed by the Parties in writing.
7. The payment shall be considered to have been made upon the day the due amount is deposited into the Supplier's bank account. If the payment for the Product has been made prior to the delivery, such payment shall be treated as an advanced payment, which upon delivery of the Product shall be recognized as the payment for the delivered Product.
8. In case of any delay in payment, the Buyer shall pay daily interest for delay in the amount of 0,1 % of the total sum in delay for each day of such delay. Such interests, as well as any other amounts due by the Buyer, may be deducted from any future payments of the Buyer.

## **VII. RETENTION OF TITLE**

1. The transfer of the ownership title to the Product shall in no event be made prior to making payment in full covering in particular a. fees, b. prices and c. amounts due (or already paid) provided for in point VI.3 hereinabove. If the payment is not made in time, the Supplier shall have the right to demand the return of the Product within 3 days as of the written request sent to the Buyer.
2. Acceptance of the Product returned shall not be considered as termination or cancelation of the Agreement or any provisions hereof, unless the Supplier expressly states it in writing.
3. If the Product to which the Supplier retains the title is processed into new products, the Supplier's ownership title shall extend automatically to the products resulting from the processing.

## **VIII. SANCTIONS AND CLAIMS**

1. In case it is discovered that the quality of the supplied Product does not correspond to the specification hereof, the Buyer shall immediately, however not later than within five (5) working days upon the unloading of the Product (under pain of rejection of the complaint), notify the Supplier about such defect and its character.
  - 1a. The Buyer shall examine the quantity of the supplied Product no later than during the unloading time, so the claims for the quantity of the Product shall be notified by the Buyer no later than on the date of unloading of the Product, and at the same time the Buyer shall enter an appropriate reservation in the consignment note (under pain of rejection of the complaint).
2. Pursuant to clause VIII.1 hereinabove, every qualitative claim shall be sent to the Supplier along with the samples of the Product which is deemed defective.
3. The Supplier shall inform the Buyer about the decision on the Buyer's claim within (14) fourteen working days upon the date of receipt of the Buyer's claim.
4. Any disagreements arising from the Supplier's decision on the Buyer's claim, the Parties undertake to settle in an amicable way. If the abovementioned efforts fail, such disputes arising in connection with the quality requirements shall be settled by SGS (formerly Société Générale de Surveillance). The decision of SGS shall be binding and respected by both Parties. The costs of abovementioned expert appraisal will be borne by the Supplier only if SGS declares the Supplier's fault.
5. In case the conditions specified herein concerning quantity or quality have been breached, which is proved pursuant to points VIII.1-VIII.4 hereinabove to be the Supplier's fault, the Supplier shall, at its own discretion, either deliver the free from defects or rectify such existing defects at its own expense. The Buyer hereby agrees that the remedy provided under this clause is the Buyer's sole and exclusive remedy against the Supplier, i.e. it shall release the Supplier from any liability towards the Buyer for defects of the Product delivered.

## **IX. TERMINATION OF THE AGREEMENT**

1. Either Party may terminate the Agreement upon 3 (three) month notice in writing. The termination period commences on the first day of the month following the month of receipt of the termination notice by the other Party.
2. The Supplier may also terminate the Agreement with immediate effect by written notice if:
  - a. the Buyer is found in delay of the Buyer's payment obligations for a period longer than 14 days and fails to remedy such breach within 7 days after receipt of a written order for payment from the Supplier, or
  - b. according to Supplier's knowledge based on reasonable grounds, the Buyer may not be able to meet its obligations provided for in the GTCS or the Agreements, or
  - c. the Buyer has breached the obligation referred to in point XI.14 hereof.
3. Termination of the Agreement by the Supplier shall not in any event discharge the Buyer of an obligation to pay for the Product already delivered or ordered.

## **X. FORCE MAJEURE AND FAILURES**

1. The Parties shall be free from liability for partial or complete non-fulfillment of obligations under the Agreement in case it results from force majeure circumstances, in particular fire, flood, earthquake or another

natural disaster, as well as war, military actions, local conflicts, riots, strikes (except for strikes covering only the plant of the relevant Party), acts of terrorism, nuclear reaction or radioactive pollution, disruption in raw materials supply, production and distribution breakdowns, introduction of embargo or another decisions of the public authorities or local government limiting import or export, in case if such circumstances directly or indirectly affect the fulfillment of the present Agreement. In such a situation the term for fulfillment of obligations under this Agreement shall be postponed according to the time during which force majeure circumstances were effective.

2. The Party which fails to fulfill its obligations under the Agreement due to force majeure, shall send a written notice to the other Party on beginning and completion of the abovementioned circumstances immediately, but not later than in 3 days after the force majeure circumstances occurred. In the event that the Force Majeure lasts for more than 30 days, the Parties will meet and try to find a mutually acceptable solution of such situation.
3. In the event of any failure in the Supplier's plant, the Supplier shall be free from any liability for non-performance or improper performance of the Agreement within the scope arising from the failure.

#### **XI. FINAL PROVISIONS**

1. The Buyer shall neither be entitled to convey its rights nor obligations, in whole or in part, arising under the Agreement to a third party without the previous written consent of the Supplier otherwise being null and void.
2. All appendices, amendments, alternations and modifications to the Agreement shall be valid only in case they are made in writing otherwise being null and void.
3. If any of the provisions of the GTCS or the Agreement become or appear to be void, it shall not affect the validity of the remaining provisions. Pursuant to this severability clause, if any of the provisions of the GTCS or the Agreement become or appear to be void, the Parties shall be obliged to negotiate in good faith so the invalid provisions shall be replaced by the valid ones that come as close as possible the commercial purpose as well as the original intentions of the Parties.
4. The Supplier's total liability arising from or in connection with the Agreement, shall in no event and under no circumstances exceed the purchase price of the Product involved in the claim, unless the damage is caused directly by gross negligence or willful misconduct of the Supplier. The Parties hereby expressly exclude the Buyer's right to claim any additional damages, including in particular consequential or indirect damages or lost benefits, including lost revenues or profits.
5. The Agreement and the GTCS shall be governed and construed in accordance with the law applicable in the country of the Supplier's registered office. In case several Suppliers are the party hereto, Polish law shall apply.
6. Subject to point XI.7 hereinafter, all the disputes arising from or in connection with the Agreement or the GTCS shall be submitted to the appropriate court for the registered seat of the Supplier. In case several Suppliers are party to the Agreement, the seat of the court shall be Kraków, Poland.
7. The Supplier shall also be entitled to bring a lawsuit against the Buyer to the appropriate court for the registered seat of the Buyer, which in such event shall also be competent.
8. The Vienna Convention on Contracts for the International Sale of Goods shall neither apply to the GTCS nor to the Agreement.
9. The Supplier does not warrant merchantability or fitness of the Product for a particular purpose.
10. To the extent permitted by applicable law, any guarantees or warranties as to the quality of the Product are hereby expressly excluded, unless they are explicitly agreed by the Parties in writing otherwise being null and void.
11. The Supplier hereby expressly states, that Supplier neither grants the Buyer any licence or sub-licence nor transfers any intellectual property rights concerning the Product. In the event the Buyer is using the Supplier's Product for manufacturing purposes or to process the Product into new goods, the Buyer shall not have the right, without the Supplier's prior written consent otherwise being null and void, to use the Supplier's Product

designations, especially the Supplier's trademarks, on the resulting products or on the packaging therefore or in any relevant printed matter or advertising materials.

12. All packaging materials as supplied with the Product, are fully recyclable when becoming a waste in the Czech Republic. The Buyer is in such case obliged to ensure its reuse/recycling by a company legally permitted to do so according to all relevant parts of the Czech Waste Act No. 185/2001. In case that the Buyer is in position of distributor, the legal take-back obligation for all packaging materials as supplied with the Product and the obligation of reaching the levels of reuse of all packaging waste as set in the relevant parts of the Czech Packaging Waste Act No. 477/2001 are hereby legally transferred onto the Buyer who purchased the packaged Product in order to be resold in the Czech Republic by transferring the ownership of the packaged product onto the Buyer. This provision shall apply only for deliveries executed by the Supplier incorporated in the Czech Republic.
13. This GTCS may be, from time to time, revised and changed by the Supplier. The newest version of GTSC will be published on the Supplier's web page: [www.synthosgroup.com](http://www.synthosgroup.com)
14. The Buyer undertakes not to take towards persons acting on behalf of the Supplier, in particular employees of the Supplier, any corrupt actions, including promising, proposing or giving such persons any gifts, presents, favors, invitations to meetings of non-business character, or any other financial benefits. The only exception shall be advertising materials (calendar, notebook, pendrive) with logo / name of the Buyer.
15. In the event of breach of the obligation referred to in subpoint 14 hereinabove by the Buyer, irrespective of the rights referred to in point IX.2 letter c) hereof, the Supplier as well as other Synthos Group entities, shall have right to suspend cooperation with the Buyer for 12 months, which the Supplier shall be obliged to inform the Buyer in writing.
16. In the event of breach of the obligation referred to in subpoint 14 hereinabove by the Buyer, for a second time, irrespective of the rights referred to in point IX.2 letter c) hereof, the Supplier as well as other Synthos Group entities shall cease cooperation with the Buyer permanently, which the Supplier shall be obliged to inform the Buyer in writing.

## **XII. PROTECTION AND NON-DISCLOSURE OF INFORMATION**

1. The Parties shall be obliged to keep confidential all the information, documents and data received from the other Party in connection with the negotiations, conclusion or performance of the Agreement irrespective of the form, medium or source of such information.
2. If the authority or other entitled entity requests disclosure of the information pursuant to the binding legal provisions the relevant Party shall be obliged to immediately notify this fact to the other Party.
3. The notification provided for in point XII.2 hereinabove shall be made, if possible, prior to the disclosure of the information to the authority or other entitled entity, and shall indicate the scope of the information requested except where providing such details is prohibited under binding legal provisions or decision of the entity requesting disclosure of the information.
4. Upon written request of the relevant Party as well as upon the date of termination or expiry of the Agreement, the other Party shall be obliged to return all the materials, documents and information containing information provided for in point XII.1, or related to it, existing in any form together with all copies and studies authorized or not. Upon request of the relevant Party, the other Party shall be also obliged to make a written statement that all notes, memoranda, analyzes, reports and any other documents containing the information provided for in the point XII.1 hereinabove have been destroyed under the pain of acknowledging that such information has been disclosed to unauthorized person/entity. The above shall not affect the right of the Party to retain one copy of such information, in strict confidentiality, solely for the purpose of recognizing and observing its obligations under this point XII hereof.
5. The Parties agree that this obligation of confidentiality shall remain in force for a period of (3) years following the termination or completion of the Agreement unless the Parties agree otherwise in writing otherwise being null and void.

### **XIII. PERSONAL DATA**

- 1.** Each of the Parties represents that it is the administrator of personal data of persons authorised to represent such a Party and its employees, specified in connection with the conclusion and performance hereof.
- 2.** In order to duly protect personal data, each Party shall appoint a person who may be contacted regarding the processing personal data through contact details of the relevant Party.
- 3.** Each Party shall process the submitted personal data of the representatives and employees of the other Party for the purpose of performance hereof. The legal grounds for the processing of personal data shall be a legitimate interest - contact in connection with performance of the Agreement. Providing personal data is voluntary, however, it is necessary for the purpose of the conclusion of the Agreement.
- 4.** Personal data shall be processed for the term of the Agreement and following its termination for a period resulting from binding legal provisions or until the period of limitation of claims expires.
- 5.** Recipients of personal data shall be: external entities providing and supporting information technology systems of the relevant Party, rendering services connected with the ongoing business operations of the relevant Party –subject to appropriate contracts for entrusting personal data processing and subject to ensuring adequate technical and organisational measures protecting personal data by the aforementioned entities.
- 6.** Each person whose data are being processed to the extent stipulated under binding legal provisions shall have the right of access to their data and the right to correct, remove and restrict processing their data as well as the right to object to data processing.
- 7.** In the event of any doubts connected with personal data processing each person may request the relevant Party to provide information. Irrespective of the above, each person shall have the right to lodge a complaint to the President of the Personal Data Protection Office.
- 8.** The Party shall be obliged to provide the information referred to in points 1-7 above to the representatives and the employees of the Party, whose personal data have been provided to the other Party.