

PROGROUP BOARD SP. Z. O.O.

GENERAL TERMS AND CONDITIONS OF SALE

As of: November 2nd 2022

1. SCOPE

- a) The following General Terms and Conditions of Sale will apply exclusively to all – including future – our deliveries and services. We do not accept conditions of the customer conflicting with or deviating from our General Terms and Conditions of Sale, in particular, delivery without reservations even having knowledge of such conflicting or deviating conditions will not constitute acceptance. To the extent that our General Terms and Conditions of Sale do not contain any special provisions, the statutory provisions will apply, notwithstanding any customary trade practices.
- b) These General Terms and Conditions of Sale will only apply vis-à-vis entrepreneurs within the meaning of Art. 43¹ Civil Code (*Kodeks cywilny*).

2. OFFER/CONCLUSION OF THE AGREEMENT

- a) Business proposals addressed to counterparties do not constitute offers within the meaning of the Civil Code. An agreement will only be concluded with our confirmation of the counterparty offer, however, in any case upon delivery of the goods. Any objections must be recorded on our delivery note and on the CMR consignment note and must be countersigned by the driver; the customer is obliged to promptly provide us with a copy of each of these documents.
- b) Specifications regarding measures, weights and other product features contained in our offers and other enclosed documents are guidelines only and will only become part of the agreement if they are stated expressly as binding in our order confirmation. In deviation therefrom – in the following order – the tolerances stipulated in our **Technical Data Sheet** or, respectively – in the absence of such stipulations – the customary tolerances are deemed agreed,

even without express declaration of applicability. The Technical Data Sheet, as amended, will be sent at the request of the customer at our cost.

- c) We reserve our ownership right including the copyright for i.a. all compositions, manufacturing specifications, models and other specifications and information that we provide to the customer - be it in tangible or intangible form, including in particular in electronic form; access to the foregoing shall not be granted to third parties without our express written approval. This applies, in particular, to such written documents that have been marked as „confidential“.
- d) Where the order constitutes an offer within the meaning of the Civil Code, it will be binding on the customer for a period of 14 working days from its dispatch. We are entitled to accept such offer within this period by dispatch of an order confirmation or the shipping of the ordered goods. The provisions of Art. 66¹ § 1 -3, 66² and 68² of the Civil Code are excluded.
- e) Production and delivery is performed at our choice in one of our factories or by one of our affiliate companies; list of our affiliate companies together with general terms and conditions of sale applicable to their production and delivery can be found on our website <http://www.progroup.ag>. at the latest by the acceptance of goods the customer agrees to transfer rights and obligations under the agreement to our affiliate company.

3. PRICE/PAYMENT/ INTEREST/ADMINISTRATIVE FEE

- a) Our prices include free delivery (DAP under the Incoterms 2010) to the place of delivery at the customer's location specified in our order confirmation and are increased by applicable statutory VAT, except as otherwise expressly agreed in an individual case. Each delivery day will be aggregated in a collective invoice, except as otherwise agreed.
- b) Invoices are generally sent in electronic form as PDF or a comparable secure format (e.g. any other format introduced as mandatory by law – e-invoice) to the e-mail address provided by the customer, at the express request of the customer also in paper form. Insofar as it is within the sphere of influence of Progroup, the necessary measures will be taken to ensure secure dispatch in

the case of electronic dispatch, in accordance with the respective state of security technology. We will not be liable for any damages incurred by the customer as a result of the invoice received by the customer being intercepted and/or modified by third parties during the transmission process and, as a result, no longer conforming to the invoice created and sent by us. In particular, any incorrect payments made by the customer as a result of such an occurrence shall be borne by the customer.

- c) All final invoice amounts shall be due for payment without deduction within 30 days from the date of the invoice, except as otherwise agreed in an individual case. For the date of payment, receipt by us shall be relevant. In the event of delay in payment, we are entitled – notwithstanding our right to claim additional losses – to charge at our discretion maximum interest pursuant to Art. 359 § 2¹ Civil Code or interest according to the act on payment terms in commercial transactions (in Polish: *Ustawa o terminach zapłaty w transakcjach handlowych*).
- d) In the event that the customer is in delay with payment with regard to an invoiced amount, we are entitled to accelerate maturity of all other claims based on deliveries made to the customer to be due immediately. We will inform the customer hereof in written form.
- e) We reserve the right to raise our prices appropriately, but not by more than 30 % and, at the earliest, four weeks after the conclusion of the agreement, if increases of costs occur after the conclusion of the agreement that could not be foreseen before; in particular, this includes increases of costs due to increases of prices for preliminary products and imported goods as well as changes in exchange rates. At the request of the customer, we will provide evidence of relevant changes.
- f) Where we accept cheques or promissory notes on the basis of a specific arrangement, this is done only on account of performance (*erfüllungshalber*); any cheque and bill charges have to be borne by the customer.

- g) In the event of unjustified non-performance and/or an unjustified withdrawal from the agreement on the part of the customer, we are entitled in any case to claim a lump-sum expenses compensation of 15 % of the net value of the goods contained in the order, without prejudice to our right to claim additional losses.
- h) If after the conclusion of the agreement the insufficient ability of the customer to perform becomes apparent and with it an endangerment of the customer's ability to provide consideration – in particular in the form of a fundamental deterioration of the customer's economic situation –, we are entitled to cancel agreed payment targets – also for future deliveries – and to perform deliveries outstanding from all business relations with the customer only subject to advance payment or providing of customary bank securities. This does not affect any additional statutory claims.
- i) The customer is only entitled to setoff or retention rights to the extent that his claim has been confirmed by final court ruling or acknowledged by us in writing. In the event of defects of a delivery, the remedies of the customer – in particular pursuant to Section 5 sub-paragraph e) of these General Terms and Conditions of Sale – remain unaffected.
- j) We are entitled to assign our claims against the customer under or in connection with a delivery relationship to a third party without any additional consent from the customer – in particular for the purposes of factoring or forfaiting. In the event that the general terms and conditions of the customer contain restrictions or prohibitions of assignment, they are not applicable towards us.

4. DELIVERY/FORCE MAJEURE/PACKAGING/TRANSPORT/PASSING OF RISK

- a) The given delivery dates are informative. Due and timely delivery is subject to due and timely self-delivery. If such self-delivery fails due to circumstances for which we are not responsible, we will inform the customer accordingly without

delay, at the latest within 5 working days after receipt by us of this information. In that case, we are entitled to withdraw from the agreement after an adequate waiting period has expired, however not more than 30 days since we sent the aforementioned information to the customer; we will return any consideration already granted by the customer promptly after withdrawal. In the event of receipt of the aforementioned information on failure of due and timely self-delivery from us, the customer is entitled to withdraw from the agreement within 30 days since we sent the aforementioned information to the customer.

- b) We will not be bound to delivery dates confirmed by us if we are not provided by the customer in a timely manner with the information and documents required for the scheduling, production and transport planning and/or the customer fails to fulfil his other contractual obligations which or influence the timely delivery of the goods to him; these obligations include, in particular:

(1) The final clarification of all technical details using the designations set forth in our **Technical Data Sheet**, as in force at the given time.

(2) the timely and due fulfilment of the obligations of the customer, in particular the receipt of all documents and official authorisations to be provided by the customer as well as

(3) making of an agreed advance payment.

The Technical Data Sheet, as in force at the time, will be sent by us at the request of the customer at our cost.

- c) Delivery dates are binding only if they are expressly confirmed by us in writing and are subject to the reservations pursuant to Section 4 sub-paragraph a) and sub-paragraph b).
- d) Force majeure and other events not foreseeable at the time of the conclusion of the agreement, including war, riots, lawful industrial action and illegal strikes, official orders, shortage of energy or resources, interruptions of traffic and

unavoidable interruptions of operations as well as fire – including at our suppliers' location – will relieve us from the obligation of delivery and performance for the duration of the interruption and the scope of its effects. If of unforeseeable duration, circumstances within the meaning of sentence 1 of this provision will entitle us, however, at the earliest 30 days after their occurrence, to withdraw from the agreement, in whole or in part, without the customer being entitled to a claim for damages; the same applies if said circumstances permanently render the performance of the agreement uneconomic and if we can no longer be reasonably expected to adhere to the agreement. We will inform the customer as soon as possible of the occurrence of force majeure or similar events and are allowed to exercise the right to withdraw within 60 days since we sent the aforementioned information to the customer; Section 4 sub-paragraph a) last sentence applies accordingly.

- e) We are entitled to partial deliveries and partial performance and - according to their respective invoicing - to request their separate payment, unless the partial delivery or partial performance, from an objective perspective, is against the customer's justified interests or he cannot be reasonably expected to accept it. This does not affect the rights of the customer based on default or impossibility of our performance.
- f) The risk of accidental destruction or accidental deterioration of the goods passes to the customer, at the latest, upon delivery at the agreed place of delivery. If the delivery or acceptance of the goods is delayed in case of delivery dates that are binding on us or if we have given advance notice of at least 8 working days of the (early) delivery/performance, the risk of destruction or deterioration of the goods passes to the customer, irrespective of other agreements on terms of delivery and payment, upon the expiry of the working day agreed as the delivery date.
- g) The corrugated sheetboards will be delivered on wooden pallets or comparable carriers, except as otherwise agreed. Each pallet will be equipped with a plastic strapping.

5. WARRANTY

- a) It is a precondition for any warranty claims of the customer that the latter has duly complied with his duties of inspection and objection. The customer is obliged to inspect each delivery in detail immediately after receipt, within maximum 3 working days.
- b) Without prejudice to statutory provisions, the customer is obliged to have the driver record and confirm immediately on our delivery note as well as on the CMR consignment note those defects that are evident at the delivery of the goods, in particular short deliveries and transport damages, and thereafter is obliged to promptly provide us with a copy of such delivery note. In the event that a defect becomes apparent during inspection or at a later time, the customer is obliged to promptly give notice thereof in writing. The notice will be deemed to have been given promptly if it is given within two weeks from discovery of defect; in order to meet the deadline it is sufficient to dispatch the notice in due time.
- c) The customer will bear the full burden of proof for all requirements of claims, in particular for the defect itself, the rejected amount of delivered goods, the time of the identification of the defect and the timeliness of the notification of defects.
- d) In the event of a justified complaint of defects for which we are responsible, we are entitled to subsequent performance at our choice to be made within adequate time, i.e. either by remedying the defect or by delivering goods that are free of defects within an appropriate period that also includes the time for the procurement of the goods from an upstream supplier. If the subsequent performance is not carried out successfully in adequate time, the customer is entitled, in accordance with applicable statutory provisions, to demand a reduction of the consideration or to rescind the agreement if the defect of the delivered goods is not only insignificant. Section 6 applies accordingly to any claims of the customer for damages based on defects of the goods.

- e) We are entitled to make the subsequent performance owed dependent on payment by the customer of the purchase price due. However, the customer will be entitled to retain a portion of the purchase price which is adequate in proportion to the defect.
- f) Statutory claims of recourse of the customer against us exist only to the extent to which the customer has not concluded any agreements with his customer that exceed the statutory warranty claims. Section 6 of these General Terms and Conditions of Sale applies to the scope of claims for damages and claims for the compensation of frustrated expenses by way of recourse claims.
- g) The customer further undertakes to accept and handle warranty claims of his customers in accordance with our warranty policies known to him.

6. DAMAGES, COMPENSATION OF FRUSTRATED EXPENSES

- a) Claims for damages not based upon an intentional breach of our contractual or statutory obligations are excluded, except as otherwise stipulated in these General Terms and Conditions of Sale or in individual agreements deviating therefrom. This applies to all claims for compensation, irrespective of their legal basis, in particular to claims for damages based on *culpa in contrahendo*, on other breaches of obligations, on claims in tort or to claims for compensation of frustrated expenses.
- b) The exclusion of liability in the preceding sub-paragraph a) does not apply with regard to our liability for the culpable injury to life, body or health, our liability for the guaranteed quality of a delivery, our liability for defects which we fraudulently failed to disclose, our mandatory liability for hazardous products. In all cases our liability is limited to the actually suffered damages that are contract-specific and foreseeable at the time of the conclusion of the agreement, unless such breach of contractual obligations has caused damage to life, body or health.

- c) To the extent that our liability is excluded or limited, this applies also to the personal liability of our corporate bodies, personnel, employees, staff, representatives and vicarious agents.

7. RETENTION OF TITLE

- a) We retain the title to the delivery item (hereinafter "goods subject to retention of title") and to the documents enclosed with the delivery item for as long as we are still entitled to claims of any kind under current or future business relationships with the customer. In the event of current account, this retention of title also provides security for our respective claim for the account balance. In the event of a breach of contract by the customer, a delay in payment or in case of the endangerment of the payment due to the insufficient ability to perform of the customer, we are entitled to withdraw from the agreement as well as to the withdrawal of the goods subject to retention of title and the documents; the customer is obliged to return them. The withdrawal is to be exercised within 60 days from occurrence of the first event entitling to withdrawal. Following the withdrawal of the goods subject to retention of title, we are entitled to realisation of the latter; the realisation proceeds will be credited – less adequate realisation costs – to the due liabilities of the customer.
- b) The customer is entitled to resell the goods subject to retention of title only in the ordinary course of business. It does not constitute a resale in the ordinary course of business if the goods subject to retention of title are not resold subject to retention of title. The authorisation to resell the goods subject to retention of title in the ordinary course of business expires as soon as the customer fails to fulfil his payment obligations from the collected proceeds, is in delay of payment, fails to duly fulfil his other essential contractual obligations owed to us, if a suspension of payment occurs, an application for the institution of composition, sanation or insolvency proceedings has been filed or another impairment of his ability to perform occurs.

The customer assigns to us already at this point in time all claims arising from the resale of the goods subject to retention of title together with ancillary rights and security interests in the amount of the invoice value of the goods subject to retention of title. We hereby accept the assignments set forth above.

The customer is also authorised to collect the assigned claims until the expiry of the authorisation to resell goods subject to retention of title in the ordinary course of business granted above. Upon expiry of such authorisation, we are entitled to inform the customers of the customer of the assignment and to collect the claims ourselves. Upon expiry of the authorisation to collect the claims, the customer is further obliged to promptly provide us with all information and hand over all documents necessary for the assertion of the assigned claims.

- c) The customer is not entitled to assign the claims designated in subparagraph b) above in order to have them collected by way of factoring, unless he irrevocably obligates the factor to provide the consideration directly to us as long as we are still entitled to claims against the customer.
- d) Transfer of ownership by way of security or, respectively, assignment for security as well as pledging the goods subject to retention of title or, respectively, of the assigned claims are not permissible. The customer must inform us immediately in writing of any pledges or other dispositions or interferences by third parties. In the event that we have to claim or protect our rights against third parties, the customer is responsible for payment of all costs incurred in this regard.
- e) The customer holds in custody on our behalf free of charge the goods subject to retention of title and the documents. He is obliged to take proper care of them; in particular, he has to insure them sufficiently and in the amount adequate for their replacement value (new goods) against the usual risks, such as fire, burglary, theft and transport damage as well as water pipe damage. The customer assigns to us, already at this point in time, the claims arising from a case of loss against the insurer and any third parties in the amount of the

invoice value of the affected goods subject to retention of title, plus any transport and disposal costs. We also accept this assignment. To the extent that maintenance or inspection works are necessary, the customer has to conduct such works in due time at his own costs.

- f) In the event that the realisable value of the securities to which we are entitled exceeds our aggregate claims by more than 10 %, we are obligated to release securities exceeding by more than 10 % our aggregate claims, at our choice at the respective request of the customer or of a third party affected by the excessive security.

- g) In the event that the goods subject to retention of title are being mixed composed, composed or processed (hereinafter "processed"), including together with other goods that are not our property, we acquire a co-ownership interest in the new product in accordance with the proportion of the value of the goods subject to retention of title to the other goods processed at the time of the processing. In the event that no such acquisition of ownership by us occurs, the customer offers irrevocably to transfer to us, already at this point in time, ownership or – in the proportion set forth above – co-ownership interest in the new object and entitles us to determine the co-ownership values. We're entitled to accept the customer's offer at a time and in the form at our discretion. The customer holds in custody on our behalf the ownership or co-ownership interest so created. Other than that, the same applies with regard to the object created by processing as is the case with the goods subject to retention of title. Our right to claim damages on general rules and to demand return of unjust enrichment shall remain unaffected.

8. ASSERTION PERIOD

The period for the assertion of any claims based on defects in quality or title is 12 months from delivery.

9. FINAL PROVISIONS

- b) All disputes arising out or in connection of the contractual relationship are to be decided by the common court competent for Warsaw- City centre; however, we are entitled to bring action against the customer also at the latter's principal place of business. This provision does not affect any mandatory statutory provisions with regard to exclusive places of jurisdiction.
- c) The agreement is governed by the law of the Republic of Poland, not including the UN Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG), also in the event that the registered office of the customer is situated abroad. However, to the extent that the choice of law made hereunder in favour of the law of the Republic of Poland is prohibited or invalid, the requirements and effects of the retention of title pursuant to § 7 are governed by the law of the respective place of storage of the goods.
- d) The customer bears all fees, costs and expenses which are incurred in connection with any legally successful assertion of rights by us against the customer, in particular in case of assertion of rights outside of the Republic of Poland.
- e) All agreements made between the customer and us with regard to the latter's orders and their implementation are and will be recorded in writing under pain of nullity, provided the parties did not agree otherwise or reach a deviating agreement in the future in an individual case. This does not include the placement and acceptance of the offer. Any waiver of the written form requires written form under pain of nullity. In order to be effective, all legally relevant declarations and notices which have to be made or given to us by the customer after the conclusion of the agreement (e.g. setting of deadlines, notification of defects, declaration of withdrawal or reduction) must be made in writing under pain of nullity.