

ACCEPTANCE BY THE SUPPLIER OF THE ORDER FOR IMPLEMENTATION IS EQUIVALENT TO THE ACCEPTING THE GENERAL TERMS AND CONDITIONS OF PURCHASE CONSTITUTING AN INTEGRAL PART OF THE ORDER

Baltic Wood S.A. with its registered office in Jasło (38-200) ul. Fabryczna 6 a, entered into the Register of Entrepreneurs kept by the District Court in Rzeszów, 12th Commercial Division of the National Court Register, under the KRS no. 0000081947, tax id. no. (NIP) 687-16-26-585, business id. no. (REGON) 370418951

GENERAL TERMS AND CONDITIONS OF PURCHASE

These General Terms and Conditions of Purchase (hereinafter referred to as "GTC") are published on the Baltic Wood S.A. website and are binding upon the Parties, i.e. Baltic Wood S.A. as the Buyer and the Supplier, in each case of the purchase by Baltic Wood S.A. of goods and services (hereinafter referred to as the "Purchases") unless the Parties expressly agree otherwise, which must be for its validity made in writing.

1. General provisions

1.1. The GTC are binding in the scope in which given issues have not been regulated otherwise in the Order or in a written agreement made between the Parties.

1.2. All terms and provisions contained by the Supplier in the offer of sale addressed to the Buyer in the form of a quotation, tender offer, invoice or other document different from the provisions of these General Terms and Conditions of Purchase or different therefrom by any addition, modification, replacement or other change will not be binding upon the Purchaser or cause any legal effects unless expressly approved in writing by the Buyer's authorised representative, otherwise being ineffective. The Buyer's failure to respond to any terms and provisions contained in the sale offer addressed thereto will not be construed as the Buyer's consent to any terms and provisions different from the terms and conditions set forth herein. To the extent regulated above, the application of Article 68¹ of the Polish Civil Code is excluded.

1.3. If the Supplier performs more than one delivery per calendar year to the Buyer, the provisions of these GTC relating to the Regular Supplier also apply to the Supplier.

2. Order

2.1. The Purchase Order is sent by e-mail to the Supplier's e-mail address. The Parties acknowledge that the Buyer has not been able to read any information or statements sent to the Buyer's address unless expressly accepted by the Buyer.

2.2. Purchase Prices indicated in the Order are net prices and also include remuneration for the transfer of all rights and obligations of the Supplier related to the Purchases, including the delivery of the Purchase to the Buyer's registered office or other place indicated in the Order, unless agreed otherwise in the Order. The costs of packaging, securing, storing and transporting the Purchases, their insurance for the time of transport, customs duties and any other costs related to the delivery are borne entirely by the Supplier.

2.3. Any changes to the terms and conditions specified in the Orders will be effective only after the Buyer prior written acceptance.

2.4. In the case of the Regular Supplier, any change of the price must be notified to the Buyer in writing within 3 months prior to its introduction.

2.5. In the case of the Regular Supplier, the Supplier must notify the Buyer 6 months in advance that it will not deliver specific products. Within 6 months from the date of notification, the Regular Supplier is obliged to supply these products and maintain a storage buffer at agreed prices from the last delivery prior to the notification.

3. Order implementation

3.1. The Supplier at the Buyer's request will provide detailed information on the stage of the Order implementation. If the Supplier becomes aware that the deadline for the Order implementation may be not met, it is obliged to immediately inform the Buyer thereof together with a written statement of reasons and the anticipated exceedance of the deadline.

3.2. Purchases will be delivered by the Supplier within the time limit and to the address specified in the Order.

3.3. At the Buyer's request, the Supplier must attach to every supply a shipping document.

3.4. The transfer to the Buyer of the ownership and all risks related to accidental loss of or damage to the Purchases, as well as the benefits related to the Purchases takes place upon acceptance of the Purchase by the Buyer or a person authorised thereby at the delivery place specified in the Order.

4. Invoices and payments

4.1. The Supplier will be entitled to issue an invoice for the performance of the whole Order or its given stage, provided that:

a) it has performed the Order in accordance with the terms and conditions of the Order and its delivery.

4.2. The correctly issued invoice should:

a) contain the Order number,

b) contact person on the part of the Buyer

c) be issued for:

Baltic Wood S.A. ul. Fabryczna 6a, 38-400 Jasło, tax id. no. (NIP): 687-16-26-585

d) be delivered in the original paper version to the above-mentioned address.

4.3. In the case of the receipt of an incorrectly issued invoice, it will be returned to the Supplier.

4.4. The invoice payment period will not be shorter than the period specified in the Order.

4.5. The date of payment will be considered by the Parties as the date on which the Buyer's bank account is credited.

5. Delivery delay

5.1. In the event of exceeding the delivery deadline specified in the Order, the Buyer will be entitled to request the Supplier to pay liquidated damages in the amount of 0.5% of the Order value for each day of delay, if the parties have not agreed a different provision in this respect in writing, or otherwise it will be ineffective. The Buyer is entitled to claim damages under general terms, exceeding the value of the liquidated damages.

5.2. The Buyer has the right to refuse to accept the Purchases if they are delivered:

- a.) on another day than the date specified in the Order,
- b.) in the quantity inconsistent with the Order,
- c.) on terms not corresponding to the provisions of the Order, the Agreement or the GTC,
- d.) in a damaged condition or condition preventing their use.

In the case of Purchases performed in stages, the Buyer has the right to refuse to accept the given stage of the Order without liability for the non-performed stage of the Order towards the Supplier. The refusal to accept a given stage of the Order by the Buyer does not release the Supplier from the performance of the other stages of the Order. The Order does not constitute the Buyer's obligation to purchase the goods in a specified quantity.

5.3. In the case specified in point 5.2, the non-acceptance of the Purchase or a stage of the Purchase by the Buyer does not constitute a breach of the Agreement, cannot give rise to any negative consequences for the Purchaser and does not exclude the Buyer's right to pursue claims for non-performance or improper performance of the obligation by the Supplier. The Supplier bears the risk that the Purchases will not be accepted and the risk of costs related thereto.

5.4. In the event of a breach of any of the provisions of the Order, the Agreement or the GTC, the Buyer is entitled to request the Supplier to pay liquidated damages in the amount of 5% of the total value of Purchases covered by the Order. The acceptance of the Order performed in violation of its terms and conditions does not exclude the Buyer's right to charge liquidated damages. The provisions of this section apply accordingly to individual stages of the Purchases.

5.5. Despite the stipulated liquidated damages, the Buyer has the right to claim damages exceeding the amount of the reserved liquidated damages.

6. Specifications and confidentiality

6.1. The Supplier undertakes to respect the confidentiality of all information related to the Buyer's activities and the Order and not to copy or use the drawings, designs, specifications and other data provided by the Buyer for purposes not strictly related to the performance of the Order. The obligation referred to in the preceding sentence is binding upon the Supplier for the entire period of the Order performance, as well as after its completion/cancellation without any limitation in time. Upon the completion or cancellation of the Order, the Supplier at the Buyer's request will return all confidential data, recorded in any form (written, electronic, audiovisual, etc.).

7. Intellectual property rights

7.1. The Supplier represents that all intellectual property rights to the Purchases, including proprietary copyrights to works created as a result of the Order performance or in connection with the object of the Order, will be owned solely by the Purchaser. It is assumed that the Purchase Price referred to in point 4.1. above includes all amounts due for the transfer of intellectual property rights

to the Buyer, including proprietary copyrights. These rights will be transferred by the Supplier to the Buyer without any additional charges.

7.2. If, as a result of actions taken by third parties, the Buyer's right to use the Purchases is limited or excluded, the Supplier will pay to the Buyer compensation for damage related to claims raised by third parties against the Buyer.

8. Guarantees

8.1. Unless otherwise agreed by the Parties agree or indicated by the nature of the Purchases, the Supplier grants a guarantee for all Purchases and parts thereof being the object of their delivery for a period of two (2) years from the date of their acceptance, ensuring that they are free from design, material and workmanship defects as well as legal defects and they are compliant with the Order specifications in terms of type and quality and appropriate for the specific purpose for which they were purchased.

8.2. The Buyer is entitled to request, at its own discretion, the repair or replacement of defective Purchases in the light of the above guarantee, without incurring any costs on this account (also excluding any costs of removing defective Purchases and delivering new ones). In the event of non-performance of the obligations resulting from the guarantee provided by the Supplier, the Buyer will be entitled to repair or replace the Purchases at the Supplier's expense. The Buyer will notify the Supplier about such decision.

8.3. In the case of the repaired or replaced Purchases, the guarantee given by the Supplier under this document will start again from the date of their acceptance by the Buyer.

8.4. The Supplier ensures proper labelling of the Purchases and will inform the Purchaser of any associated risks. If Purchases are of the nature of hazardous products in accordance with the applicable laws, the Supplier will indemnify the Buyer against any claims arising from any damage to person or property caused by such Purchases.

8.5. If, as a result of the Buyer's exercise of the rights resulting from the warranty or guarantee, it is necessary to deliver the Purchases to the Supplier or a third party for their repair or replacement, the Supplier will cover the costs of transport, insurance and any other costs related thereto.

8.6. In the case of wood purchases, the Technical Conditions of the Baltic Wood S.A. Supply are in force.

9. Assignment of rights and obligations and engagement of subcontractors

9.1. Any transfer of rights resulting from the Order or the agreement, and existing/future receivables on this account, may not be made by the Supplier without the Buyer's prior written consent, otherwise being ineffective. The Buyer's written consent to the engagement of subcontractors does not release the Supplier from any obligations and responsibilities for the performance of the Order.

10. Termination

10.1. The Buyer reserves the right to terminate the Agreement at its sole discretion, in whole or in part and at any time by written notice in an electronic form (e-mail).

10.2. In the case of the Regular Supplier, if the agreement is terminated, within 6 months from the date of the termination the Regular Supplier is obliged to make deliveries and to maintain a storage buffer at prices agreed at the last delivery prior to the termination.

11. Final provisions. Governing Law and Dispute Resolution

11.1. In the event of any discrepancies between the provisions of the GTC and the content of the Order, the provisions of the Order will prevail. In the event of any discrepancies between the content of the GTC and the provisions of the Agreement, the provisions of the Agreement will prevail.

11.2. The Supplier undertakes to refrain from any activities in connection with this Agreement, which would result in any violation by the Supplier, or/and as a consequence by the Buyer, of the applicable provisions of law, in particular anti-corruption regulations. In the performance of its obligations under this Agreement, neither the Supplier nor any person acting on its behalf or at its request will not give, offer, make or promise or give consent to the payment, directly or indirectly, of the monetary amounts or financial benefits to any person or entity, in particular defined by commonly applicable provisions of law as "public officials", in order to influence acts or decisions of such persons, entities, officers or authorities, or to obtain an unlawful advantage within the meaning of the relevant anti-corruption laws.

11.3. Any disputes arising out of or in connection with these General Terms and Conditions of Orders and/or Orders will be settled by a common court having jurisdiction over the Buyer or the city of Katowice at the choice of the claimant.

11.4. The relevant provisions of the Polish Civil Code apply to all matters not regulated herein.

11.5. The acceptance by the Supplier of the Order for the performance is tantamount to accepting these General Terms and Conditions of Purchase.

12. Security

12.1. The Supplier undertakes to comply with the applicable occupational health and safety and environmental protection regulations.

12.2. The Supplier ensures proper professional qualifications of persons performing the agreement, and employs persons with valid medical examinations and training in OHS and fire protection regulations for its performance.