

LUMEL S.A. GENERAL TERMS OF SALE

1. General provisions

- 1.1 All deliveries and performances of LUMEL S.A. (LUMEL) are subject to the below stated conditions which constitute an integral part of the contract and which the CUSTOMER confirms to accept as complete expression of the contract. Any alterations will be binding only as far as approved by LUMEL in writing.
- 1.2 The provisions specified herein are considered accepted when the CUSTOMER accepts LUMEL's quotation by lodging purchase order or signing a contract or whenever any kind of order will be fulfilled by LUMEL.
- 1.3 LUMEL cooperates only with entrepreneurs. These conditions do not apply to consumers in relation to which their use is excluded, as well as to other entities in relation to which the provisions of law equate their rights with consumer rights and only to this extent.

2. Quotation / order confirmation

- 2.1 The CUSTOMER's purchase order (PO) is not binding until confirmed by LUMEL in writing and within the scope of confirmation. Quality requirements specified in technical documentation provided by CUSTOMER are binding only after and limited to the scope of LUMEL explicit approval.
- 2.2 PO's are to be sent to the indicated contact person in LUMEL and/or to sprzedaz@lumel.com.pl in electronic form and should include: (i) Product name and code with description; (ii) Quantity, (iii) Delivery conditions (Incoterm) and address (iv) Price based on earlier submitted LUMEL's offer and within its validity period or official price ist agreed with LUMEL, (v) Delivery date (vi) agreed Payment terms (vii) Contact person data. Complete PO will be confirmed within 5 working days in electronic form to indicated contact person. In special cases Lumel reserves the right to present other quantity and delivery date than specified in PO. Partial deliveries are allowed. Another forms of PO placing are accepted, too (facsimile, post).
- 2.3 Confirmed Purchase Orders may not be cancelled or changed without LUMEL's prior approval. In case of PO termination LUMEL reserves the right to charge CUSTOMER with all the cost related to the realisation of the PO. In case of PO postponement, LUMEL can charge CUSTOMER with 10% of the PO gross value for each week of delay.
- 2.4 Any PO changes may result in price and/or lead time change. Alterations of PO upon CUSTOMER's request will be confirmed by an updated offer. In case of change to PO in progress, CUSTOMER is obliged to cover at least the costs of yet produced goods, work in progress and materials/services yet ordered.

3. Documents, intellectual property rights, confidentiality

- 3.1 Specifications printed in catalogues, promotional brochures, quotation and contract documents in the form of illustrations, drawings, dimensions, weights, and output factors as well as other specifications are only rough data and are not binding for LUMEL unless explicitly stated otherwise. LUMEL quotations are binding for LUMEL only if explicitly stated.
- 3.2 Intangible property rights protected by the provisions in the act on industrial property rights and the act on copyright, especially articles protected with property rights, patents for inventions, utility designs, software, trademarks, trade names, marks of origin, names of origin, topographies of integrated circuits, improvement designs, information on the proper use of inventions, other information and tests of technical nature which are directly ready for use in business and research activity, information of organizational nature, as well as other made available to the CUSTOMER by LUMEL are the property of LUMEL. CUSTOMER has no rights whatsoever to use them for other purposes than covered by LUMEL'S written consent or to copy them, make multiple copies thereof or to make them available to third parties. Allowing access to this data does not transfer the ownership title or imply granting of any licence. Drawings and other documents that remain the property of LUMEL must be returned immediately to LUMEL on request together with all copies that had been made of them. Any disclosure demands LUMEL's written consent.
- 3.3 With regard to technologies such as software that are an integral part of the product, from the moment the price is fully paid, LUMEL

grants the CUSTOMER a non-exclusive license to use the product solely for its intended use. The CUSTOMER agrees to comply with the terms of the license, both with regard to software owned by Lumel and third parties, provided with the product, including compliance with the instructions for use of the product. The CUSTOMER undertakes not to copy, reproduce, decompile, disassemble or otherwise attempt to recreate the source code of the transferred software.

- 3.4 After selling the equipment LUMEL is entitled to enter the CUSTOMER's data onto a standard referential list. Reservations, if any, may be forwarded by the customer in writing.
- 3.5 The parties hereto shall be obliged to keep any information pertaining to the contents of the contract as well as the activities run by the other party, confidential. This restriction does not refer to disclosing information to any authorities, institutions and courts – if such an obligation has been imposed on by the regulations in force, as well as to businesses rendering services in business, legal, financial or tax consultancy, and services similar, provided that the Parties shall bear full responsibility for keeping this information secret by the organizations referred to above.

4. Prices, packaging,

- 4.1 LUMEL sales prices are quoted net and do not incorporate the value added tax, customs duties and other fees. Any customs procedures for the shipments are the CUSTOMER's cost and within CUSTOMER's responsibility.
- 4.2 The CUSTOMER is obliged to deliver SAD (Single Administrative Document), confirming the export of goods outside the Polish borders. In the event of non-delivery of the required document, the value of VAT tax in force in the Republic of Poland will be added to the value of the goods.
- 4.3 Prices presented in the last binding offer may be updated on quarterly basis according to actual material prices.

5. Transfer of risk

- 5.1 Unless clearly stated otherwise, the risk is transferred onto the CUSTOMER as of the moment the goods are made available to his disposal in accordance with the EXW LUMEL headquarter acc.to Incoterms 2010. In other cases, the risk is transferred to CUSTOMER at moment they are trusted with first carrier.

6. Delivery terms and dates

- 6.1 Shall the detailed delivery dates be agreed by the parties, these dates are of an approximate character and are not binding upon LUMEL. LUMEL shall do its best to meet delivery dates. The goods are considered to be delivered on time if they are transferred to the first carrier or if they are notified as ready for shipment before the contractual delivery date. Partial shipments are allowed.
- 6.2 In the event the CUSTOMER fails to receive the delivery in due time, LUMEL has the right to (i) store the goods at the CUSTOMER's risk, (ii) invoice them as EXW and (iii) charge the CUSTOMER with storage cost (iv) after futile call to remedy, to sell or to arbitrarily dispose the goods. Exercising of any of above stated rights do not release the CUSTOMER from obligation to pay for the goods.
- 6.3 In case of force majeure, the delivery date will be reasonably extended. In such an event the CUSTOMER is not entitled to terminate the contract nor to submit any claims for delay of delivery.

7. Terms of payment

- 7.1 Payments should be effected according to the provisions of order confirmation, effected into LUMEL account, free of transfer charges, deductions, costs and expenses due to acceptance of a bank guarantee, a bill of exchange or a cheque.
- 7.2 If the payments are not done timely, LUMEL reserves the right to: (i) withhold performance, (ii) charge interests (at rate of 1,5% per month).
- 7.3 The right to deduct claims under the present agreement with any other claims is excluded.
- 7.4 If delivery is delayed for the reasons not attributable to LUMEL, payments are due at the previously agreed date.
- 7.5 Any delay in payment entitles LUMEL to withhold performance and in case of delay equalling to more than 60 days, terminate the contract by written statement. In such case, the CUSTOMER shall

compensate LUMEL's damage as well as pay the cost of work done and materials delivered.

- 7.6 Effective date of payment is the day when the amount due is received at LUMEL's bank account.
- 7.7 A form of compensation shall be contractual penalties resulting from the following:
 - 7.7.1 LUMEL shall pay to the CUSTOMER contractual penalty of maximum 5% of the contract value for withdrawal from the contract by any of the parties due to the fault of LUMEL.
 - 7.7.2 In case the CUSTOMER withdraws from the contract due to the reasons not attributable to LUMEL, then CUSTOMER shall pay to LUMEL the contractual penalty of 10% of the contract value and shall pay all the cost of completed performance as well as for ordered material and services that cannot be recalled. Parties shall draw an inventory protocol. In case the CUSTOMER does not cooperate, LUMEL shall draw such protocol and shall issue the invoice.
- 7.8 LUMEL is not limited to claim damages in excess of the contractual penalties or other form of compensation reserved in these General Terms of Sale.

8 Retention of title

- 8.1 LUMEL reserves the title to goods until full payment is received. If the CUSTOMER is in default in payment due, LUMEL may demand return of the goods as security of claims.

9 Guarantee and warranties

- 9.1 LUMEL guarantees that the goods are free of defects, whether physical or legal. Warranty does not cover the production quality for which the goods may be applied.
- 9.2 This guarantee does not apply in the case the CUSTOMER has introduced any alterations or modifications to the goods or provided improper storage conditions.
- 9.3 LUMEL will repair or replace goods manufactured from 01.07.2019 free of charge, which LUMEL confirmed as defective, and the defect was reported within 36 months from the date of shipment. For inverters, the warranty period is 120 months. SMP radiometric gates

are covered by a 24-month warranty, unless the terms of the contract state otherwise.

- 9.4 LUMEL shall react within 10 business days from being notified about a fault. Such notification must be forwarded to official repair centre through LUMEL's official website immediately, but not later than 7 business days from the day the defect occurred under pain of forfeiture of the guarantee. A complaint must contain a description of a fault. The implied warranty is excluded.
- 9.5 In no event shall LUMEL be liable for a loss in the profits, consequential or special damages incurred as a result of non-performance or negligent performance.
- 9.6 Should the goods delivered to the CUSTOMER be stored in the warehouse, the CUSTOMER must provide proper storage conditions, otherwise warranty is excluded.

10 Final provisions

- 10.1 All arrangements so far concluded between the Parties of the contract, whether oral or written, which are contradictory or incompatible with the contract between the parties or with these general terms of sale are hereby rendered void.
- 10.2 In case the provisions herein become ineffective or unenforceable, they should be replaced with such effective and enforceable provisions that would reflect in the best way the intention, the business purpose and the expectations of the Parties when signing of the contract. If ineffectiveness of a single or a few of the provisions herein infringed the binding law, or if they could not be enforced, if as the result the passage infringing law has to be removed, a new corresponding passage should be stipulated so that its sense can be acceptable in terms of law. The contract shall continue to be binding if one of its provisions is and continues to be invalid.
- 10.3 The regulations of the Polish Civil Code shall apply for all issues not settled in this contract.
- 10.4 Any disputes that might arise in connection with this contract will be subject to Polish Courts having jurisdiction over LUMEL headquarter.