

**DETAILED TERMS AND CONDITIONS OF PURCHASE AND SUPPLY CONTRACTS
OF THE COMPANY CELSA "HUTA OSTROWIEC" SP. Z O.O**

The provisions of the General Terms and Conditions (GTC) will apply to issues which are not specified in this document, especially in respect of definitions of capitalized terms

**SECTION I. GENERAL TERMS AND CONDITIONS OF PURCHASE AND SUPPLY
CONTRACTS**

§1

[Transfer of title]

1. Title to the Goods passes to Huta when it signs the acceptance document for the Goods. Burdens relating to the Goods and the risk of accidental loss of or damage to the Goods pass to Huta at the same time.
2. Until the Goods are accepted in accordance with § 2, the above risks and burdens are borne by the Business Partner.
3. The Business Partner cannot retain title to the Goods until Huta pays the price in full.

§2

[Goods acceptance]

1. Goods are accepted by Huta on the basis of a written acceptance document. Goods are accepted by the Huta Representative who affixes to the document a seal with his own name and Huta's seal.
2. Prior to acceptance, Huta is entitled to inspect the Goods in accordance with §6 below.
3. For obtaining permission to enter Huta's premises, a Business Partner is obliged to present an unloading order.

§3

[Good delivery condition]

Unless the Contract states otherwise, Incoterms 2020 DDP apply to the delivery terms for Goods, with one modification that the risk of accidental loss of or damage to the Goods passes from the Business Partner to Huta when the Goods are accepted by Huta in accordance with §2 above.

§4

[Customs aspects]

1. If Goods are acquired from abroad, the Business Partner is responsible for preparing all the documents and information needed for customs clearance or for meeting obligations provided for in the law relating to intra-Community supply/export/import of Goods supplied.
2. Huta is not obliged to check that documents and information provided by a Business Partner concerning customs obligations or relating to intra-Community supply/export/import are true, correct and authentic.
3. The Business Partner is responsible for any losses and expenses incurred due to failure to provide the above said documents and information or if the said documents and information are provided late or incorrectly.

§5

[Performance date]

1. The performance date is specified on each occasion in the Contract or in an Order. In any other case, the Business Partner shall deliver the Goods immediately, no later than 5 Business Days after Contract conclusion.
2. The Business Partner is obliged to immediately inform Huta in the Written Form of its intention to deliver Goods earlier and of any anticipated delay.
3. Huta may refuse to accept Goods before the agreed delivery date. In the event of a refusal, the Business Partner will bear all the costs and risks of storing the Goods until the contractual delivery date.

§6

[Inspection of Goods' quality]

1. Huta is entitled to carry out a technical inspection of the Goods, including an inspection of the Goods' weight, quantity and quality.
2. Any defect in Goods may constitute grounds for taking the steps specified in §11 or §15 below. Any shortfall or excess of Goods constitutes grounds for measures to be taken as specified in §8 below.
3. On the request of the Business Partner, the inspection will be carried out in the presence of its Representative. Other additional forms of quality control of Goods may be applied in individual cases agreed with the Business Partner.
4. Pursuant to article 558 of the Civil Code, article 557§2 of the Civil Code does not apply. In no case will non-disclosure of defects in the Goods, despite due inspection and acceptance by Huta of the Goods, indemnify the Business Partner under implied warranty, quality guarantee or right to demand Goods replacement due to their defects or improper characteristics, in accordance with further provisions of the GTC or the Civil Code.

§7

[Complaint procedures]

1. If Goods are found to be defective or are in compliance as regards quantity, Huta will notify the Business Partner of the state of affairs by submitting a complaint in Written Form.
2. The Business Partner's Representative will present himself/herself at Huta within 3 Business Days, giving prior notice of the date and time in the manner

specified in §25 of the GTC in order to sign a complaint report. If the Business Partner does not appear, Huta will issue the report unilaterally and send it to the Business Partner. The complaint will be deemed justified both if the report is signed by both Parties or if it is issued unilaterally in the manner referred to above.

3. The Business Partner will examine the complaint in respect of Goods defects or quantity non-compliance within 5 Business Days from the date of filing this complaint by Huta. In the case of ineffective expiry of that period, the complaint will be deemed justified.

§8

[Quantity complaints]

1. Huta will submit a complaint about quantity non-compliance of Goods within 14 Business Days of non-compliance being found.
2. If a quantity complaint is deemed justified, the Business Partner, at Huta's discretion, will make up the shortfall within 3 or the price for the Goods will be proportionally reduced, calculated taking into account the relation in which the quantity of the missing Goods stands to the quantity of Goods indicated in the Contract. If the price is reduced, Huta will make payment for the Goods taking into account any confirmed shortfall. In the event of a demand to make up any shortfall, Huta is entitled to retain an appropriate part of the price until the missing Goods are supplied.
3. The costs of delivering the missing Goods will be borne by the Business Partner.
4. If an over supply of Goods is found, Huta will be entitled, at its discretion, to retain the Goods delivered for the price agreed in the Contract or to send the over supplied Goods back at the Business Partner's cost and risk.

§9

[Liability for defects in Goods]

1. The Business Partner warrants and represents that the Goods sold will be free of physical and legal defects.
2. Subject to further provisions and the GTC, the Business Partner will bear liability for defects in Goods in accordance with the provisions of the Civil Code.

§10

[Notification of defects in Goods]

1. Huta loses its rights under implied warranty for quality defects in the Goods if it does not notify the Business Partner of defects disclosed within 30 days of disclosure. Pursuant to article 558 of the Civil Code, the Parties exclude application of article 563 § 1 of the Civil Code, i.e. Huta is not obliged to inspect the Goods within the time and in the manner customary for the given type or to notify the Business Partner immediately of the defects.
2. Huta will not lose the said rights despite not observing the above said deadline if the Business Partner intentionally concealed a defect or assured Huta that there are no defects.

§11

[Defects in Goods]

1. If Goods supplied by a Business Partner turn out to be defective, Huta will file a complaint in the manner specified in §7 above. If a complaint is upheld, Huta should at its own discretion first enable the Business Partner to remove the defects or exchange the defective Goods for non-defective Goods, giving for this purpose a deadline/period of 3 Business Days.
2. Goods are returned for repair or exchange at the cost and risk of the Business Partner.
3. When removing defects in Goods, the Business Partner undertakes to ensure removal of the causes of the defects, not merely their effects.

§12

[Rescission due to defective Goods]

1. If the Business Partner does not remove defects in the Goods or does not exchange the Goods within the period set by Huta or if it is not possible to remove the defects, Huta will be entitled at its discretion to rescind the Contract, to request a reduction in price, or to remove the defects in the Goods itself or contract a third party to remove them at the Business Partner's cost and risk.
2. Acting pursuant to article 558 of the Civil Code, the Parties agree that the third sentence of article 560§1 of the Civil Code does not apply. Thus if Goods have already been exchanged or repaired by the Business Partner, Huta does not have to set an additional term and may immediately rescind the Contract, request a reduction in the price of the Goods, or remove the defect in the Goods itself or contract removal to a third party at the Business Partner's cost and risk.
3. Goods are returned in connection with rescission of the Contract at the cost and risk of the Business Partner.
4. A price reduction is requested by Huta submitting a statement in Written Form. The price is reduced by calculating the difference between the value of the non-defective Goods specified in the Contract and the market price of the defective Goods.

§13

[Rescission due to defects in only some of the Goods]

If only some of the Goods supplied are defective and they can be separated from the non-defective Goods, Huta, at its discretion, may either rescind the Contract only as regards the defective Goods or rescind the Contract in full. Therefore

pursuant to article 558 of the Civil Code it is agreed that article 565 of the Civil Code does not apply.

§14

[Request for price reduction]

If, based on §8 or §12. above, Huta requests a reduction in the price of the Goods and a self-billing procedure does not apply, the Business Partner is obliged to issue an adjustment invoice within 5 Business Days of receipt of Huta's statement on reducing the price of the Goods for an amount equating to the complaint acknowledged. If Huta has already made the payment, the Business Partner will refund the amount of the adjustment within 5 Business Days of receipt of the above said Huta's statement.

§15

[Defects posing a serious threat to life, health or property]

1. If defects in the Goods could cause or constitute a direct threat to human life or health or could lead to significant property damage, Huta is entitled to remove the defect immediately at the Business Partner's cost or refuse to accept the Goods and to notify the relevant authority. Huta is obliged to notify the Business Partner that a defect of this type has been found and allow it to participate in removing such defects.
2. Unless the relevant authority prescribes otherwise, the Business Partner will be obliged to remove the Goods immediately, though no later than within 3 Business Days or Huta will order them to be destroyed.
3. All the costs relating to a refusal to accept Goods in the circumstances indicated above will be borne by the Business Partner.

§16

[Liability for damages]

1. A Business Partner will be obliged to redress any losses or to reimburse any expenses (particularly those arising in connection with reported claims, pending proceedings, damage to vehicles, facilities used to store Goods) incurred by Huta particularly due to:
 - 1) defective Goods being supplied,
 - 2) failure to provide or failure to duly provide the information and documents specified, depending on the Contract type, in §17 or §23 below,
2. If Huta brings a claim for damages, this will not affect its rights under implied warranty or guarantee.

SECTION II. PURCHASE CONTRACTS

§17

[SUBJECT OF PURCHASE]

1. Contracts will be concluded in English.
2. A Contract will stipulate the subject of purchase, i.e. particularly the service or the type and quantity of Goods, special features, weight tolerance, mechanical properties of Goods or their technical specification. A Business Partner is obliged to supply Goods or the service in accordance with the Contract together with the required documentation, particularly attestations, certificates and safety instructions. The Business Partner will provide the above said documents in Polish. If the original version of documents is in a foreign language, the Business Partner will be responsible for having it correctly translated into Polish.
3. All Goods should be free of legal and physical defects, especially components harmful to the processing process, storing and use.

§18

[Replacement Goods]

Unless the Contract states otherwise, during the period given to remove defects in Goods supplied in accordance with §11 above, the Business Partner is obliged to provide Huta with replacement Goods at its own cost and risk.

§19

[Expiry of implied warranty]

Rights under implied warranty expire 24 months after Huta learns of the existence of defects.

§20

[Guarantee]

1. A Business Partner gives Huta a quality guarantee for both Goods and spare parts supplied in accordance with §21 below for a period of 24 months or another period agreed between the Parties in the Contract.
2. When Goods are exchanged or repaired the guarantee period starts running anew. The guarantee period is extended by the time for which, due to a defect, Huta was unable to use Goods purchased, especially by the time of repairing or awaiting exchange of the Goods.
3. Huta may exercise its rights under a guarantee regardless of rights under implied warranty.

§21

[Spare parts]

1. A Business Partner is obliged to enable Huta to order spare parts for Goods purchased for a period of 36 months from the day the Goods acceptance document is signed or to supply a technical specification enabling Huta to make the spare parts itself or to order them from another producer, unless other

producers' ability to make them is restricted by protection under intellectual or industrial property rights. The Business Partner is obliged to inform Huta of any intellectual or industrial property rights related to spare parts for Goods.

2. The Business Partner will draw up a list of spare parts for Goods purchased and send it to Huta.

SECTION III. SUPPLY CONTRACTS

§22

[Contract form]

A supply contract must on each occasion be concluded in writing, within a meaning of article 78 of the Civil Code, i.e. it requires a document to be drawn up containing the signatures of entities authorised to represent the Parties in accordance with §37 of the GTC.

§23

[Proceeding to carry out a Contract. Performance]

1. Goods are supplied in performance of a Contract based on an Order specifying the Goods and the quantity thereof, the mechanical properties or technical parameters, or the Contract itself, if it contains a delivery schedule. All Goods should comply with applicable provisions of law and with the Contract, free of legal and physical defects and of components that could be harmful for the Goods' processing and storing, including radioactive materials.
2. The Contract may state from whom the raw materials needed to manufacture the Goods derive.
3. If it is stipulated in the Contract that the Goods are to be manufactured from raw materials of a specific type or a specific quality and the raw materials are provided by the Business Partner, it is obliged to notify Huta that the raw materials are prepared for manufacture and allow Huta to carry out a quality inspection.
4. If raw materials derived from Huta turn out to be useless for proper manufacture of the Goods, the Business Partner is obliged to notify Huta of this immediately, though no later than 2 Business Days after the raw materials are supplied to it.

§24

[Huta's supervision of Contract performance]

1. At any time during the Contract term, Huta is entitled to request the Business Partner to provide or to make available any and all documents and information relating to the Business Partner's performance of its obligations under the Contract. The Business Partner is obliged to immediately provide Huta with the documents and information requested in the scope indicated in the first sentence and especially to allow Huta to check the Goods manufacturing process. If the Business Partner does not duly perform its obligations under the Contract, Huta is entitled to request the Business Partner to change the Goods manufacturing method by a set deadline.
2. If the deadline referred to above passes to no effect, Huta is entitled to partially or entirely rescind the Contract or to terminate it with immediate effect. If a Contract is rescinded entirely, Huta will not be obliged to pay any part of the price.

§25

[Insurance]

The Business Partner should insure Goods in transport itself and at its own cost with a renowned insurance company.

§26

[Cancelling subsequent batches]

In the case of rescission of a Contract in accordance with §12 above Huta is entitled to cancel subsequent supplies that are not delivered by the rescission statement date.

§27

[Requirement to examine all Goods]

If a defective delivery means that Huta deems it necessary to carry out a special inspection of all the Goods supplied by a Business Partner in performance of the Contract, the inspection costs will be covered by the Business Partner.

§28

[Delay]

If a Business Partner is in such delay with starting manufacture of the subject of the supply or individual parts thereof that it is not likely that it will manage to deliver them in the contractual term, Huta does not have to give an additional period but may rescind the Contract before the end of the Goods delivery period.