



HANNECARD POLSKA LIMITED LIABILITY COMPANY BASED IN KRAKÓW

GENERAL CONDITIONS OF SALE

1: GENERAL PROVISIONS

1-1. Definitions

- a) The Seller – Hannecard Polska sp z oo with its registered seat in Kraków
- b) The Buyer – a natural person, legal person or an organisational unit which has no legal personality and which the law recognises in a legal capacity, concluding an agreement to sell products or provide services with the Seller.
- c) Products – any movable or parts thereof purchased by the Buyer from the Seller.
- d) Services – all services provided by the Seller to the Buyer (including movable property supplied by the Buyer to the Seller with this goal), consisting of the regeneration of coverings.
- e) Order – made by the Buyer in: oral, written, electronic form (via email) or by means of remote communication (phone, fax) for the commissioning of the Product or Services by the Seller, which specifies at least the type of Product / Services (Subject of the Contract) and their quantity, the place of receipt of the Product or Buyers' movable property after the provision of Services.
- f) Order Confirmation – confirmation by the Seller in: written form or electronic or fax submission by the Purchaser of the Order for the Product / Service.
- g) Business days – all days of the week except Sunday and public holidays.
- h) transport costs – the costs of delivery of the Buyer's Product or the costs of delivery of the Buyers' movable property after the performance of Services, not included in the remuneration for the sales of the Product / Service.

1-2. These General Conditions of Sale (GCS) determine the terms and conditions of the sale of all the Products or Services applicable to the Seller and the Purchaser, unless other GCS are individually negotiated by the Seller with the Buyer in writing. In case of discrepancy between the content of the GCS and the Agreement, the conditions of the Agreement are binding on the parties.

1-3. The Seller shall provide the GCS in electronic form on its website in such a way that the Buyer can read their contents before placing an order, of which he shall inform the Purchaser.

1-4. The Seller is entitled to change the GCS. The amendment shall enter into force upon the placement of changes in electronic form on the Seller's website. If the GCS are changed, the provisions of the new version shall apply to orders placed and accepted by the Seller through the Order Confirmation after the change.

2: THE CONCLUSION OF THE CONTRACT FOR THE SALE OF PRODUCTS / SERVICES

2-1. Before ordering the Buyer may approach the Seller orally or in writing, in electronic form (via email) or by means of remote communication (phone, fax) to inquire about an estimate. The request should include a determination of the type of Product / Services (indicating the quantity), a declaration on the packaging (does the Buyer provide them) and transport.

2-2. In the event of an enquiry, the Seller shall send the Buyer an estimate with an indication of the proposed fee (in currency), the implementation period, terms of payment and issue of the Product (the Service), and the period of the validity of the offer. The offer should be made available to the Purchaser in writing, in electronic form (via e-mail) or by fax. In addition to the situation described in the preceding sentence, the Seller shall always send an estimate to a Buyer who places an order for the first time.

2-3. The placement of an order by the Buyer means that the Buyer is familiar with the GCS given in electronic form on the Seller's website and accepts their provisions. The Seller shall send the GCS in writing, in electronic form (via e-mail) or by fax to the Buyer, who shall place an order for the first time together with the estimate.

2-4. The Buyer, remaining in permanent business relations with the Seller, may also place an order in such a way that the Seller shall make certain materials and/or objects available to the Seller for implementation of a Product/Service. The entry in point 2-5. shall apply accordingly.

2-5. If the Buyer places an order for a Product/Service without asking for an estimate from the Seller, this means that the Seller shall be entitled to unilaterally determine the relevant provisions of the contract.

2-6. The Seller shall accept the Buyer's order in such a way that he serves the Buyer an Order Confirmation in writing, in electronic form (via e-mail) or by fax.

2-7. The Buyer is responsible for checking the Order Confirmation (OC). He shall immediately (but not later than within 24 working hours) inform the Seller via email or fax if he finds any discrepancy between the order and content of the Order Confirmation, or do not accept the provisions of the OC in case of a unilateral determination of the relevant provisions of the contract by the Seller. If the Buyer fails to comply with this obligation, the Seller shall provide the Buyer with the Product or Service in line with the content of the OC. In such a case, the provisions of the OC are binding on the parties.

2-8. The Contract of Sale for Products/Services shall be concluded by the Seller sending the OC to the Buyer. In case of discrepancies between the Buyer's order and content of the Order Confirmation, or lack of acceptance of the provisions of the OC, in the situation described in point 2-7., the contract shall be concluded if the Seller receives the Buyer's acceptance of the OC. The entry in point 2-7. shall apply accordingly.

2-9. The Seller has the right to unilaterally change the price for the delivery of the Product/performance of Services specified in the Order Confirmation if the actual dimensions of the Product or Purchaser's movable property for which the service is implemented differ from those in the OC. The Seller shall communicate the information about the change in price to the Buyer in one of the forms set out in paragraph 2-6.

2-10. The Seller reserves the right to change the prices of the Product/Services if: there are dramatic increases in commodity prices, inflation, or fixed costs. The Seller shall communicate the information about the change in price to the Buyer in one of the forms set out in paragraph 2-6. together with an indication of the date of application of the increase. The price change shall apply to all Buyers, regardless of the content of the offers and the provisions of the OC. If the Seller has not proceeded to execute the contract, the Buyer may cancel the order.

2-11. The Seller has the right to sub contract the Product or Service to a third party, in whole or in part. In this case, the Seller is responsible for the acts or omissions of the third party as for their own.

3: DEADLINE AND CONDITIONS FOR EXECUTION OF THE ORDER

3-1. The deadline for the contract shall be specified in the Order Confirmation. In the case of a Service, the deadline for the contract cannot be sooner than the period of the provision of the Service maintaining the full technological process.

3-2. The period of the contract shall not begin, and a started process shall be suspended for a duration beyond the Seller's circumstances that prevent or substantially hinder the performance of the contract, and also in the situation referred to in paragraph 4-6. point 2.

3-3. The Buyer's movables designated for the performance of the Service should be delivered to the Seller's premises. All activities and related costs shall be borne by the Buyer. The Seller may agree with the Buyer that he shall accept movables with his own transport on a mutually agreed basis.

3-4. The ordered Product or movable provided by the Seller to the Buyer in order to perform the Service, without its own packaging, shall be packed in a way that ensures its secure transport. Packaging costs shall be borne by the Buyer. This will be added to the price of the contract. Information about the cost of packaging shall be included in the OC. Description of the packaging procedure is located on www.hannecard.com ("How to package coated shafts").

3-5. Issue of the Product or Buyer's movable property after performance of the Service shall take place at the Seller's plant, within the time specified by the Seller or agreed with the Buyer in the Buyer's notice of execution of the contract. Notification shall have one of the forms set out in point 2-6. The Buyer's receipt of the object of the contract shall be confirmed by their signature on the receipt (bill of lading or shipping order).

3-6. At the request of the Buyer, the Product or Purchaser's movable after the performance of the Service may be sent at his own expense and risk to the designated place of receipt. In this case, the place and the time of issue of the Product or Buyer's movable after the performance of the Service shall be the date of entrusting them to the carrier. In case of absence of quantitative or qualitative defects in the delivery of the Product or Purchaser's movable after the performance of the Service, or when a different Product/movable

is received than that specified in the order, this should be noted on the bill of lading before signing, and the aforementioned fact should be immediately reported in the form described in point 2-6. to the Seller's Sales Department.

3-7. If the Buyer delays the receipt of the Product or of Buyer's movable after the performance of the Service, the Seller may dispose of it for safekeeping to a third party or storage himself for a fee fixed unilaterally, individually for each case. This storage shall take place at the expense and risk of the Buyer.

4: REMUNERATION AND TERMS OF PAYMENT

4-1. In principle, the remuneration for performance of the contract is payable within 14 days from date of invoice to the Seller's bank account, unless the OC or invoice shall indicate a different date and method of payment.

4-2. If the remuneration is paid in foreign currency, the Buyer may satisfy the provision in Polish currency, unless the Seller has stipulated that payment is to be made in foreign currency. The value of a foreign currency shall be determined by the average exchange rate announced by the National Bank of Poland on the date preceding the VAT invoice.

4-3. The Seller may stipulate in the OC that the remuneration for the contract shall be paid prior to the issue of the Product to the Buyer/execution of the Service. Buyers purchasing a Product or commissioning a Service for the first time or occasionally are required to pay for the execution of the contract in advance, before the Seller proceeds to its implementation. Information about this (in the manner and date of payment) shall be forwarded to the Buyer in the OC.

4-4. If the invoice shall indicate that the Buyer is obliged to pay compensation before the release of the Product/services, the Seller may hold the Product or Buyer's movable after the Service has been performed until payment by the Buyer. The halt is at the expense and risk of the Buyer. In the case described above, the Seller also alternatively reserves the right not to accede to the execution of the order.

4-5. If the Buyer's ability to provide is doubtful due to his financial status, especially if the Buyer has arrears to the Seller in respect of the implementation of other orders, the Seller shall have the right to refrain from issuing the Product to the Buyer or returning the Buyer's movable after the Service has been performed until the Buyer does pay the cost or provides adequate security.

4-6. If the Buyer delays the payment of the money, the Seller has the right to hold the Product or the Buyer's movable after performance of the Service until the Buyer issues payment for the full price. Until payment of the full price, the Seller shall also be entitled to refrain from proceeding to execute other orders placed by the Buyer.

4-7. If the Seller has committed to dispose of a Product on behalf of the Buyer, wholly produced or purchased by the Seller, the subject of the order shall remain the property of the Seller until the Buyer issues payment for the entire amount of the remuneration (Conditional Sale).

4-8. If the Buyer delays the payment, the Seller is entitled to statutory interest.

4-9. In the case of skinning old rubber, the Seller shall have the right to add to the order price charges for managing waste rubber coverings formed during the performance of the Service. The fee shall be determined by the OC.

4-10. Description of the procedure for managing waste rubber is available on www.hannecard.com ("How to manage waste rubber").

5: COMPLAINTS, SELLER'S LIABILITY UNDER THE WARRANTY FOR DAMAGE

5-1. The Seller shall be liable for the performance of Product or Services not in accordance with the Buyer's order and for hidden defects in the Product or Buyer's movable after the Service, which emerges within 2 (two) weeks from the date of issue of the order to the Buyer.

5-2. The Seller's liability referred to in paragraph 5-1. for implied warranties is limited to the gross remuneration payable in respect of the Seller's execution of the contract, subject to paragraph 5-14.

5-3. The Seller's liability under the warranty is excluded if the defect arose as a result of incorrect application, storage or use of the subject of the order, not keeping it in good condition, as well as as a result of mechanical damage caused by improper handling of the product by the Buyer or any person acting on their behalf or in their name.

5-4. In the event the Buyer detects non-compliance of the subject of the contract in accordance with the order or latent defect in the order, the Buyer is obliged to notify the Seller immediately, no later than three (3) business days in one of the forms set out in point 2-6. The Buyer should file a complaint indicating the type of defect (including, for example, poor quality of the surface, geometry, separation, hardness or inappropriate mix selection, with a description of the working environment when the defect was detected) or the range of non-compliance with the order and the circumstances in which these faults were detected. After the abovementioned deadline, the Buyer loses their rights under the warranty.

5-5. In the situation described in point 5-4., the Buyer is obliged to prevent the use of the subject of the contract. The Seller is not liable in this case for damages and losses incurred by the Buyer. Only a hidden defect may be considered by the Seller after the entry into service of the subject of the order.

5-6. The Seller is obliged to take the decision to recognise or not to recognise the complaint (its consideration) within 15 business days, counted from the time the complaint was reported to the Seller in the manner described in point 5-4.

5-7. As part of the study of the reported complaint, the Seller shall be entitled to carry out reports on the correctness of installation and operation of the subject of the order, as well as a study on the causes of defect. In the event that a complaint is considered to be unfounded, the cost of the expert opinion shall be charged to the Buyer.

5-8. After examining the submitted complaint, the Seller shall consider the complaint to be justified or unjustified. The Seller shall inform the Buyer about the action taken on a complaint in writing, in electronic form (via e-mail) or by fax.

5-9. If the Seller finds the complaint justified, he shall be obliged to repair or replace it free of defects (in the case of services, gumming of the subject of the contract shall be performed again, and in the case of delivery of a Product, a new Product shall be delivered to the Buyer, unless the warehouse level does not allow this, then the Seller shall be obliged to regum the Product) within the period provided for handling the complaint (point 5-11.). The selection of the manner of the removal of defects shall belong to the Seller. If in the execution of the warranty the Seller exchanges the Product for one free from defects, ownership of the defective Product passes to the Seller upon delivery to the Buyer of goods free from defects. The Buyer shall have 30 days for the return of the exchanged Product. After this time, the Seller reserves the right to issue a VAT invoice for the new product.

5-10. If the Seller finds the complaint to be justified, but refuses to replace or repair it due to the fact that this would require excessive costs, the Buyer may demand a reduction in the remuneration in an appropriate amount.

5-11. The Seller is obliged to settle the complaint in not later than 14 business days. If settlement of the complaint is particularly complex, and clarifying the matter requires the performance of additional operations, the Seller may extend the deadline for consideration of the complaint to the time needed for their execution, notifying the Buyer in electronic form (via email) or by means of remote communication.

5-12. The Seller is not liable for damages arising out of the use of the product in materials and/or items constituting the property or being in the use of the Buyer, if, for the detection of non-compliance of the product with the order or latent defect of the order, the Buyer did not inform him of the deficiencies within the time limits specified in points 3-6., 5-1. and 5-4., or did not stop the use of the subject of the order in the situation described in point 5-5.

5-13. The Contracting Parties shall not be liable for non-performance or improper performance of the contract resulting from force majeure (such as war, terrorist attack, natural disaster). In this case, the parties may perform contractual obligations after the termination of force majeure within a reasonable time. If by reason of force majeure, the delay in the implementation of the commitment exceeds a period of two months, either party may terminate the contract in writing, in electronic form (via e-mail) or by fax without the right to compensation, where both parties are obliged to return what they received from the other party under the contract.

5-14. The Seller is liable for damages resulting from non-performance or improper performance of the contract of sale for a Product/ performance of a Service only if it is the result of his wilful misconduct.

5-15. The Seller is not liable for any benefits lost by the Buyer as a result of product defects, including in particular damage caused by the stoppage of the subject of the order, or the device to which it has been connected.

5-16. The Buyer may not cancel the contract due to defects in the subject of the contract.

5-17. The Seller does not warrant the object of the contract.

6: TERMINATION AND CANCELLATION OF THE AGREEMENT

6-1. The Seller may withdraw from the contract without setting a deadline for the Buyer to comply with additional obligations :

- a) if the Buyer is late with payment.
- b) if the Buyer becomes insolvent, including in particular: has filed for bankruptcy or initiated liquidation proceedings, or enforcement proceedings are being conducted against him.
- c) if the Buyer flagrantly violates the provisions of the contract or the General Terms and Conditions of Sale and does not repair the identified violations within the time specified by the Seller.

6-2. The Buyer may withdraw from the contract :

- a) if the Seller flagrantly violates the provisions of the contract or the General Terms and Conditions of Sale and does not repair the identified violations in not less than 15 business days.
- b) if the Seller has become unpayable, including filing for bankruptcy or initiating liquidation proceedings, or enforcement proceedings are being conducted against him.
- c) if the Seller delays performance for a period of 1 month.

7: FINAL PROVISIONS

7-1. The General Conditions of Sale are subject to Polish law.

7-2. The Parties agree that any disputes related to the contract shall be settled by the court competent for the Seller.

7-3. In matters unregulated by the General Terms of Sale Agreement, the provisions of the Civil Code shall apply.

7-4. The Seller has the right to move/transfer, or delegate the exercise of rights and obligations vested in Him to the Buyer, in whole or part.

7-5. The Buyer has no right to move/transfer, or delegate the exercise of rights and obligations vested in Him to the Seller, in whole or part, without the written agreement of the Seller.

7-6. In terms of any disputes that may arise from the application of the General Conditions of Sale, Polish courts have exclusive jurisdiction, unless otherwise agreed in the contract.