

**GENERAL TERMS & CONDITIONS OF SALE  
OF ELHURT EMS SP. Z O.O. (*limited liability  
company*)**

**§ 1 GENERAL PROVISIONS**

1. The General Terms & Conditions of Sale set out general conditions of contracts as provided for by Art. 384 of the Polish Civil Code, and stipulate terms of the conclusion of sale contracts of goods and services (“Goods”) offered by the company ELHURT EMS Sp. z o.o. with its registered office in Gdańsk.
2. As client (“Client”), according to these General Terms & Conditions of Sale (“GTCS”), there shall be deemed an entity purchasing Goods from ELHURT EMS Sp. z o.o. (“ELHURT EMS”) with its registered office in Gdańsk (address: Gdańsk 80-299 ul. Galaktyczna 35A, entered into the Register of Entrepreneurs kept by the District Court Gdańsk-Północ in Gdańsk, 7<sup>th</sup> Commercial Department of the National Court Register, under no. 0000293807, NIP (*Tax ID*): 584-26-35-440, REGON (*Statistical No.*): 220525577, share capital: PLN 1,000,000.00), which is a business entity as provided for by the Law dated 6<sup>th</sup> March 2018 of Entrepreneurs (with subsequent amendments).
3. The General Terms & Conditions of Sale shall be integral part of contracts concluded by Clients with ELHURT EMS. Besides, GTCS are released at ELHURT EMS's web site under [www.ELHURT.com.pl](http://www.ELHURT.com.pl), which implies that GTCS are made available to Client prior to the conclusion of contract, and Client may copy, store and reproduce them.
4. Binding effect of GTCS shall not be contingent on whether Client makes or not a statement in this regard. The acceptance of GTCS by Client with regard to one order shall be deemed as the acceptance of GTCS with regard to its all further contracts and orders. In other cases, placing an order by Client shall be deemed as agreeing to be bound by GTCS available at ELHURT EMS's web site on the date of the confirmation of placing order.
5. If the provisions of GTCS do not stipulate otherwise, an order, as well as any declarations pertaining to the negotiations of contents and to the execution of contract, to be valid, shall be made in written form or by email. Any arrangements not complying with the above provision shall be null and void.
6. Amendments of any provisions of GTCS made by the Parties, unless the Parties agreed otherwise, shall be valid and applicable solely to the transaction with regard to which the Parties conceded to make the derogation, and solely on

condition that the amendment was made in written form, otherwise being null and void.

7. Any general terms and conditions or similar documents regarding the delivery of the supplies used by the Client do not apply unless ELHURT EMS agrees in writing, under pain of nullity. ELHURT EMS's consent cannot be silent or implied. ELHURT EMS hereby declares that it does not enter into contracts under the conditions provided for in art. 385<sup>4</sup> of the Polish Civil Code.

**§ 2 CONCLUSION OF CONTRACT**

1. Contract shall be deemed as concluded at the moment when ELHURT EMS confirms that an order was placed by Client, or when ELHURT EMS proceeds to execute the order, depending on which of the occurrences took place first, subject however to the provision of clause 6 below. Art. 68<sup>2</sup> of the Polish Civil Code shall not apply to offers made by Clients to ELHURT EMS.
2. If the Parties did not agree otherwise in a written form, under pain of nullity, a contract concluded by and between the Parties shall not constitute sale on approval or sale subject to the examination of Goods.
3. Confirmation by ELHURT EMS of placing order may relate to the execution of order in part, unless Client explicitly stated in the order or offer that it was solely interested in complete execution.
4. ELHURT EMS shall be entitled to suspend the execution of order if Client delays the fulfilment of any of its commitments towards ELHURT EMS, in particular if it is in default with its payments, until Client has fulfilled such commitments. Moreover, ELHURT EMS may suspend the execution of order until Client has paid full price. In the above cases ELHURT EMS's actions shall not be deemed as delay of the execution of contract.
5. If the date of the delivery of Goods was not specified beforehand, ELHURT EMS shall specify such date in the confirmation of placing order.
6. If in the confirmation of placing order the date of release of Goods (the execution of contract) is not specified, contract with Client shall be deemed as concluded provided that ELHURT EMS has obtained from its supplier the confirmation of the availability of Goods, which will immediately be communicated by ELHURT EMS to Client, with information either on unavailability of Goods or the date of release of Goods (the execution of contract), not later than seven (7) working days from the date of the confirmation of placing order.

- ELHURT EMS shall be not be liable towards Client for termination/expiry of contract due to the failure referred to in this clause 6 (no information from ELHURT EMS on unavailability of Goods shall be prerequisite for contract to become effective at the moment specified in clause 1). At the same time, should ELHURT EMS in such a situation not state the date of release of Goods, then a deadline stipulated in order placed by Client, or in Client's offer, shall be deemed as accepted.
7. ELHURT EMS shall be entitled to deliver Goods earlier, before agreed deadline.
  8. Regardless of other provisions in these GTCS, an offer or a confirmation of placing the order, and regardless of the confirmation of the date of release of Goods, ELHURT EMS shall not be liable for delay of the date of release of Goods, caused by delays in delivery of the Goods, delays in delivery of equipment or requisite elements to manufacture Goods or delays associated with staff shortages caused by epidemic or another extraordinary situation in the electrical component market.
  9. Regardless of other provisions in these GTCS, of a contract, an offer or a confirmation of placing order, ELHURT EMS shall be entitled to change unilaterally the quantity of Goods ordered, including electronic modules and PCBs, to the extent not exceeding 5% of the quantity originally ordered by Client. In such a case delivery of Goods containing less or more quantity shall not constitute failure to execute or failure to execute duly the contract by ELHURT EMS, and Client shall be obliged to pay for the quantity of Goods actually delivered.
  10. Notwithstanding the foregoing, in each case the minimum order quantity is the greater of the quantities resulting from the MOQ (minimum order quantity) or MPQ (minimum package quantity).
  11. In case of changes in the specification or documentation, reduction or cancellation of the order, postponement of the order by the Client by more than 3 months in relation to the original date, etc., the Client will refund ELHURT EMS in full the purchase costs or costs of canceling orders from sub-suppliers regarding the items ordered or collected for the needs of the order subject however to the provision of paragraph clause 7.
  12. The Client is obliged to purchase materials that were ordered by ELHURT EMS for the purpose of executing the Client's order in MOQ or MPQ, if they are not used in full when executing the order or carrying out future Client's orders within a period not longer than 3 months from the day of completion the order for which the surplus was created. The type of elements is determined by the offer and specification provided by ELHURT EMS. The purchase price of the surplus by the Client, if not specified in the offer, will be determined on the basis of the price of the given element presented on the website [www.ELHURT.com.pl](http://www.ELHURT.com.pl) from the date of ELHURT EMS's request for repurchase.
  13. ELHURT EMS in connection with cooperation with the Client may, by purchasing materials or elements necessary for the implementation of current and future Client's orders, create a so-called buffer. The parties agree on the date of making a buffer available to the Client by ELHURT EMS (RSD). Unless ELHURT EMS indicated otherwise in writing or via e - mail, the buffer should be used for the purposes of the Client's orders at the latest within 6 months from the RSD. After this date, the Client is obliged to immediately collect all unused buffer and pay for it. The repurchase price of the unused buffer by the Client, unless it has not been specified in the offer or in the confirmation of placing order, will be determined based on the price of the given element presented on the website [www.ELHURT.com.pl](http://www.ELHURT.com.pl) from the date of ELHURT EMS's request for repurchase.

### § 3 DELIVERY OF GOODS

1. If the Parties did not agree otherwise, Client shall collect Goods from the registered office of ELHURT EMS.
2. If Goods are delivered to Client by a carrier, the delivery of Goods shall occur at the moment when Goods have been handed over to carrier; following this, all benefits and burdens related to Goods shall be transferred to Client, as well as any risks of their accidental loss or damage.
3. Should Client unauthorized fail to collect Goods, then the risk of accidental loss or damage shall be passed onto Client on the day following the deadline at which the collection of Goods was to take place. Moreover, should such situation occur, Client shall pay ELHURT EMS an additional fee for storing Goods, amounting to 0.05% of the net value of uncollected Goods for each day of delayed collection; this fee shall be payable in arrears, at the end of specific month, and VAT shall be added to the specified amount.
4. If the Parties did not agree explicitly otherwise, Client shall unload Goods at its own cost and risk.
5. Should the shipment containing Goods be damaged, Client together with the carrier shall draw up a damages protocol specifying the list

of detected irregularities. The Parties assume that absence of damages protocol involves that no loss or damage took place during transportation.

#### **§ 4 PRICE OF GOODS**

1. Sale price of Goods shall be agreed individually by the Parties or defined on the web site [www.ELHURT.com.pl](http://www.ELHURT.com.pl) as of the date of placing order. In addition, price may be determined by ELHURT EMS based on the examination of the current business relations of the Parties, but in such a case the price may not materially vary to the detriment of Client from the price previously used between the Parties in relation to the same Goods.
2. Prices quoted in foreign currencies shall be converted into PLN at the exchange rate by the National Bank of Poland as of the date preceding the date of issuing invoice.
3. For the offers or confirmations of placing order with the deadline of 6 months or more from the date of placing order, ELHURT EMS reserves its right to change the price of the Goods particularly in case of:
  - a. increase of the inflation rate in terms of the level from the date of placing order;
  - b. significant changes of the exchange rate of the EUR/USD, USD/PLN, EUR/PLN;
  - c. ELHURT EMS's escalating costs of electricity supply, gaseous fuel supply, heat or other utilities supply essential in the manufacturing process or in Goods delivery process;
  - d. the increase of the minimum or medium wage in line with the Statistics Poland's communications or legislation;
  - e. any amendment of applicable legal provisions or other causes resulting in an increase of operational costs for ELHURT EMS;
  - f. imposition of the new legal obligations with regard to fulfill the environmental protection standards or waste management, resulting in an increase of operational costs for ELHURT EMS.
4. In the event of entry into force of the changes from the clause 3 prices will change by the value correlate the resulting changes or the obligations imposed or changed by the legislature which were not included in the price of the Goods in the date of placing order.
5. The price change from the clause 4 shall not require changes of the contract and will be introduced into the settlements in a unilateral declaration by the ELHURT EMS, to which the Client hereby provide its consent.

6. If the Parties did not agree explicitly otherwise, agreed price shall not contain the cost of releasing and collecting Goods, including also the cost of the delivery of Goods by a carrier. Such costs shall be borne by Client.
7. If the Parties did not agree explicitly otherwise, prices indicated by ELHURT EMS shall be net prices, subject to the addition of VAT at the rate applicable as of the date of issuing invoice.

#### **§ 5 TERMS OF PAYMENT**

1. Client shall pay for purchased Goods by the deadline indicated in VAT invoice or in pro forma invoice, to the bank account specified in invoice or pro forma invoice.
2. The date of crediting ELHURT EMS's bank account shall be deemed as payment date.
3. If the Parties decided that Client is obliged to pay an advance, ELHURT EMS shall be entitled to suspend the execution of order until the advance has been paid, which shall not be regarded as a delay of ELHURT EMS.
4. Client in relation to ELHURT EMS, waives its right to deduct receivables, as well as waives its right to assign its rights arising from contracts concluded with ELHURT EMS, without a prior written consent of ELHURT EMS, otherwise being null and void.
5. ELHURT EMS hereby declares that it is registered VAT payer and that it is authorized to issue VAT invoices.
6. Any receivables due to ELHURT EMS shall become payable immediately as of the date of Client's compulsory liquidation, or as of the date of receipt of information by ELHURT EMS about initiation of the executory proceedings or proceedings to secure claims, or as of the date of its activity suspension or removal from the register of companies or business, as well as in the case of filing for bankruptcy, for the initiation of restructuring proceedings or in case of opening of restructuring proceedings.

#### **§ 6 TRANSACTION LIMIT**

1. ELHURT EMS may provide the Client - in writing or by email - with a transaction limit which may be dependent in particular on the insurance limit granted to ELHURT EMS by the entity that insures transactions with Clients, cooperating with ELHURT EMS (the Insurer). Unless ELHURT EMS indicated otherwise, the transaction limit is PLN 10,000.
2. The transaction limit is each time the sum of all due and un-required amounts due to the Client in relation to ELHURT EMS together with the current value of materials and components

collected or ordered by ELHURT EMS for the needs of the Client's orders.

3. ELHURT EMS is entitled at any time to change the transaction limit amount, with effect for the future, in particular in the case of the Insurer's reduction or withdrawal from the insurance or information about a change in the financial or legal situation of the Client.
4. In the event of exceeding the transaction limit, ELHURT EMS is entitled to withhold all Client's orders until the Client submits additional security measures specified by ELHURT EMS or pay of receivables in the amount exceeding the value of the transaction limit given, which does not constitute a delay of ELHURT EMS in the performance of the contract.
5. Failure to provide security upon request by ELHURT EMS in this case entitles ELHURT EMS to terminate the contract with immediate effect or - at ELHURT EMS's option - withdraw from the contract in whole or in part within 30 days from the day of expiration of the deadline for providing security.
6. Termination of the contract with immediate effect causes immediate maturity of all liabilities to ELHURT EMS, including the need to repurchase the materials collected for current and future orders.

#### **§ 7 OWNERSHIP**

1. Client shall become the owner of Goods following the payment in full for Goods (retention of title). Following the elapse of payment deadline, ELHURT EMS may demand that Client returns Goods which have not been paid up in full. Any legal measures taken by ELHURT EMS with regard to its rights arising from the retention of title shall not be deemed as the termination of contract.
2. Until full payment for Goods is made, it is assumed that Client stores Goods free of charge, the owner of which, as provided for in clause 1 above, is ELHURT EMS.
3. In the event that the Client provides a part of the materials or elements necessary to perform the order, ELHURT EMS becomes the owner of all items manufactured from the elements entrusted or connected with them when the assembly is made.
4. The Client is obliged to deliver the elements entrusted in quality and quantity ensuring the correct execution of the order, on time and under the conditions indicated by ELHURT EMS, after prior notification made at least 1 day in advance. ELHURT EMS is not liable for non-performance or improper performance of the contract in the event of delivery by the

Client or on his order of improper quality items, in the wrong quantity, without prior notification or not at the time indicated by ELHURT EMS. In this case, the Client is liable to ELHURT EMS for any damages, including indirect damages and lost profits, caused by untimely, faulty or incomplete delivery of entrusted elements.

#### **§ 8 WARRANTY AND GUARANTEE**

1. ELHURT EMS shall be responsible before Client if Goods have a defect affecting their value or usability in relation to either the purpose arising from the usual intended use of Goods or incomplete handing over of Goods.
2. Client shall communicate its complaint in a written form or by email, otherwise being null and void. In its complaint Client should describe detected defects, attach photos, a test documentation and – in the case of modules - indicate whether the complaint concerns the quality of the assembly or the malfunction of a particular element, as well as, based on request of ELHURT EMS, send back all defected Goods, or part of them, to the place indicated by ELHURT EMS.
3. Lodging the complaint shall not relieve Client from its obligation to pay the price on time for Goods covered by its complaint.
4. Client, by virtue of warranty, shall be vested with two entitlements solely - choice of which at the discretion of ELHURT EMS only: the exchange of defected Goods for new ones or the repair of Goods, and, should the above be impossible or cause for ELHURT EMS considerable difficulties or costs, the refund of the price for the defected Goods.
5. The Client is obliged to cooperate with ELHURT EMS at every stage of the complaint process.
6. If the subject of the complaint are electronic modules, and ELHURT EMS has made a decision to remove the defect by repairing it, ELHURT EMS is entitled to request from the customer needed explanations and guidelines for the repair of the module, unless they were presented together with the complaint. If the Client does not provide the information requested in the time specified by ELHURT EMS, ELHURT EMS will be entitled to leave the complaint without recognition, without any liability whatsoever, and - without additional request - to utilize the defective modules.
7. If, despite co-operation in the scope of complaints and despite of the Client provides the necessary explanations and guidelines, the module repair will not be possible or its cost will be higher than the price of modules to be



- repaired, ELHURT EMS will be entitled to cease the complaint handling and utilization of defective modules, provided that the price of such defective modules, specified in the order confirmation, is reduced by 50%. In this case, ELHURT EMS will issue a VAT invoice to the customer correcting the price of the modules that have not been repaired and the modules will be disposed of.
8. Client will lose its entitlements arising from warranty if it did not test Goods within seven (7) calendar days from the date of their collection and did not communicate detected defect to ELHURT EMS within next 5 calendar days. If however detected defect proved to be undetectable during tests, Client will lose its entitlements arising from warranty if it does not communicate detected defect within 5 days following its detection, however not later than 3 months from the date of releasing Goods. When communicating defect, Client in each case should adhere to the above deadlines.
  9. If Goods purchased by Client are PCBs, then Client shall carry out test assembly on one circuit. Client may proceed with the assembly of further circuits only following positive outcome of the test assembly. ELHURT EMS shall not be liable for any damages or responsibility arising from warranty or guarantee if Client fails to carry out test assembly.
  10. Client shall tally up delivered Goods immediately following the collection of Goods from carrier or ELHURT EMS. Client will lose its entitlements arising from warranty with regard to quantitative shortages of delivered Goods if it does not communicate in a written form or by email such shortages to ELHURT EMS, at the latest, at the end of calendar day following the day on which Goods have been received/released.
  11. ELHURT EMS shall be obliged to review complaint within 14 days from the date of its receipt at the latest.
  12. If Client does not accept the response to its complaint, the Parties may commission a specialized research unit with a task to carry out a detailed examination concerning the quality of Goods, the fact of the existence of defect, and its extent. In such a case the period for re-review of complaint will commence as of the date of receipt of the report containing test results. Preliminary cost of preparing the report shall be borne equally by the Parties. Should the complaint prove to be unjustified, the entire cost of preparing the report shall be borne by Client.
  13. Exchange or repair of Goods shall take place immediately following positive review of complaint, taking in particular into account time necessary to bring Goods or a component from supplier or a sub-supplier. ELHURT EMS will endeavour to make such time as short as possible. If ELHURT EMS will manage to exchange or repair defected Goods according to the provisions of this clause, Client shall not be entitled to claim damages for the delay.
  14. Entitlements described in this paragraph shall cover solely and exclusively Client's claims against ELHURT EMS arising from the defects of Goods. Warranty and guarantee granted to Client shall in no case cover Goods or their elements that are subject to wear and tear, such as batteries, accumulators, bulbs or other similar products.
  15. In the case of granting by ELHURT EMS guarantee for Goods, non-compliance by Client with the deadlines specified in clause 8 shall at the same time result in the loss of entitlements arising from guarantee granted by ELHURT EMS.
- § 9 CONTRACT MANUFACTURING**
1. Should ELHURT EMS render manufacturing services, including the assembly of electronic modules, the following provisions shall additionally apply:
  2. ELHURT EMS shall be entitled to change unilaterally the deadline for the execution of service agreed by the Parties or determined by ELHURT EMS as provided for in § 2 clause 5 or 6 of GTCS, if:
    - a. material delivered by Client to ELHURT EMS, indispensable to make Goods by ELHURT EMS, proves to be inappropriate to make Goods correctly. In case of doubts, making use of ELHURT EMS's entitlement as referred to above, shall not lead to assuming responsibility by ELHURT EMS for any defects which may appear as the consequence of using the materials delivered by Client.
    - b. there is an occurrence of force majeure hampering the execution of the subject of contract (in particular armed conflicts, army mobilization, revolutions, major breakdowns during works, accidents, strikes, random events) or if there occur any other incidents beyond the control of ELHURT EMS, in particular delayed or incomplete supplies from suppliers or subcontractors.
  3. Client shall be entitled to examine manufacturing process as well as to examine the quality of materials used in manufacturing, provided however that the Parties granted explicitly in written form such entitlement to Client, otherwise being null and void, with the

specification of terms and conditions of such examination.

4. If the Parties did not agree otherwise, the price of Goods manufactured by ELHURT EMS to order of Client shall not comprise any costs necessary for the launch of manufacturing, which shall be subject to separate calculation of ELHURT EMS.
5. If ELHURT EMS manufactures to order of Client based on technical documentation furnished by Client, responsibility shall be on the part of ELHURT EMS for physical defects of Goods solely if Goods prove not to be in accordance with the documentation furnished by Client. In addition, ELHURT EMS shall not be responsible if defects occur as the result of the use of a specific manufacturing process determined by Client.
6. If Goods purchased by Client are electronic modules designed to be further processed by Client itself or built into a Client's product, Client shall carry out test assembly on one of modules. With the assembly of further modules Client may proceed only following positive outcome of the test assembly. ELHURT EMS shall not be liable for any damages or responsibility arising from warranty or guarantee if Client fails to carry out test assembly.
7. Notwithstanding other provisions of these GTCS, if, in accordance with individual arrangements between ELHURT EMS and the Client, the Client is entitled to cancel the order or ELHURT EMS has agreed to cancel the order by the Client, the Client is obliged to pay to ELHURT EMS following amounts:
  - a. 15% of the price of items ELHURT EMS has canceled for no cost from its supplier or manufacturer, and
  - b. the equivalent of the price of items for which cancellation of an order from an ELHURT EMS manufacturer or supplier was not possible, increased by an amount of 15% of the value of these elements, unless the Parties agreed otherwise in writing or via e - mail, otherwise being null and void.

#### **§ 10 RESPONSIBILITY**

1. ELHURT EMS shall be liable for damages solely in relation to a direct damage caused as the result of its intentional fault or due to a gross negligence. Should ELHURT EMS be liable for damages, it shall be obliged to cover solely actual loss suffered by Client. ELHURT EMS's responsibility for the suffered loss shall be limited to the sum equal to net value of

Goods in relation to which the loss occurred. ELHURT EMS shall not be liable for any lost profit of Client or its contractor.

2. The common court, having jurisdiction over the seat of ELHURT EMS, shall be competent to settle disputes between ELHURT EMS and Client related, directly or indirectly, to order placed, accepted offer and concluded contract.
3. Polish law shall apply to any orders or contracts concluded by Client with ELHURT EMS.

#### **§ 11 FINAL PROVISIONS**

1. Client shall immediately, in written form, communicate to ELHURT EMS each change of its registered office or place of residence and address for correspondence deliveries. Failure to do this means that deliveries made to the address specified in order shall be deemed as effective.
2. Should specific provisions of GTCS become, irrespective of reason, invalid or ineffective, this shall not affect the validity of the remaining provisions of GTCS.
3. Contents of the confirmation of placing order as well as the contents of these GTCS constitute the entire arrangement with ELHURT EMS and take precedence over offers, any previous negotiations or agreements.
4. These GTCS were adopted by virtue of the resolution of the Management Board of ELHURT EMS dated 06th June 2022, and shall remain in force for an unspecified period of time, until they are amended or replaced by new GTCS.
5. For the needs of the agreement, ELHURT EMS collects personal data of Clients contained in inquiries, orders, VAT invoices and correspondence, including e - mail. ELHURT EMS is the administrator of personal data of the Client who is a natural person, acquired in connection with commercial cooperation. ELHURT EMS implements in its enterprise the Security Policy adopted by the Management Board, which is a set of rules and procedures applicable to the processing and use of personal data in all personal data files administered by ELHURT EMS. Detailed information on the principles of personal data protection in ELHURT EMS can be found at [www.ELHURT.com.pl](http://www.ELHURT.com.pl)