



GENERAL TERMS AND CONDITIONS FOR PURCHASE OF GOODS AND SERVICES

APPLICABLE AT TARCHOMIŃSKIE ZAKŁADY FARMACEUTYCZNE POLFA S.A.
("POLFA TARCHOMIN")

1. DEFINITIONS

1.1 The following terms shall have the following meanings:

GTCP: These General Terms and Conditions for Purchase of Goods and/or Services applied by Tarchomińskie Zakłady Farmaceutyczne POLFA S.A. to Orders for the Supply of Goods/Services

Order: An order for the purchase of Goods or for the provision of Services placed by the Client and accepted for completion by the Supplier in accordance with the GTCP, containing all other documents submitted by the Client and forming part thereof, such as specifications;

Client: Tarchomińskie Zakłady Farmaceutyczne POLFA S.A.;

Client's data: Any data or information, including personal data, obtained by the Supplier during the conclusion of the contract as a result of the order placed, regardless of whether the data or information relates to the Client or its employees or contractors;

Supply: The supply of Goods by the Supplier in accordance with item 3;

Supplier: An entity with which the Client has concluded a contract for the Supply of Goods or Services under an Order, which is obliged to perform the Order for the Supply of Goods or Services placed by the Client;

Page: The Client or Supplier, jointly referred to as the Parties;

Good(s): The item(s) supplied by the Supplier in accordance with the Order, in particular all materials, documents or other elements supplied to the Client, including those resulting from the Services provided by the Supplier under the Order, in any form or on any medium, also including data, diagrams, drawings, reports and specifications;

Service(s): Services provided by the Supplier in accordance with the Order;

Intellectual Property Rights: (a) the right to use a patent, utility model, copyright, database rights and rights to a trademark, tradename, industrial design or know-how and disclosure of inventions (whether or not registered); (b) the use, reissue, affirmation, renewal, extension, division or continuation of any of those rights; and (c) any other intellectual property rights and similar forms of protection existing anywhere in the world;



1.2 References to points are references to points in the GTCP.

1.3 Point headings are only used for functional reasons and do not affect the interpretation of the GTP.

2. General Provisions

- 2.1 The GTCP form an integral part of all Orders for the Supply of Goods or Services placed by the Client with the Supplier.
- 2.2 When accepting an Order, the Supplier shall at the same time confirm that it has read the GTP and that it accepts the fact that the GTCP apply to the accepted Order, unless the Parties expressly agree otherwise in writing.
- 2.3 Provisions other than the GTCP, in particular those contained in the Supplier's terms of sale, shall only be binding on the Client if they are expressly accepted by the Client. An order containing no reservation in this respect shall not imply the acceptance by the Client of any provisions other than these GTCP.

3. The Order

- 3.1. The Supplier's written offer shall be the basis for placing an Order.
- 3.2. A contract shall be made under the Order if the Order is confirmed in writing or electronically by the Supplier within three business days from the date of its submission or if it is fulfilled by the Supplier within that period.
- 3.3. The Parties preclude the application of modifying acceptance of the tender/order, i.e. application of Article 68¹ of the Civil Code and Article 68² of the Civil Code.

4. Terms of Supply of Goods and Services

- 4.1. The detailed terms of Supply, including the quantity, price and payment date, shall be specified in the Order.
- 4.2. The ordered Goods shall be delivered by the Supplier to the place specified in the Order. Unless otherwise agreed by the Parties, the Supplier shall deliver the Goods to the Client DDP at Fleminga 2, Warsaw (Incoterms 2020). The Goods/Service must be supplied in accordance with the Order and applicable standards and regulations, in witness whereof the Supplier shall deliver the necessary documents, attestations and certificates relating to the Goods or Services at the latest before the receipt of such Goods/Services.
- 4.3. The Client may refuse to accept the Goods or Services supplied if, together with the Goods/Services, it fails to receive documents drawn up by the Supplier containing the Order number and/or the name of the person placing the Order on behalf of the Client, the specification of the Goods/Services, the quantity and the relevant attestations and certificates in accordance with the Order.
- 4.4. Unless additional written arrangements are made between the Parties, the Goods delivered should be properly packaged, in accordance with the rules adopted in trade for the transport of those Goods.
- 4.5. The Supplier shall be solely liable for damage caused by insufficient or inadequate packaging during the transportation of the goods.



- 4.6. The Supply of Goods/Services shall be deemed duly and properly completed as regards the fulfilment of the agreed conditions of the Supply of Goods/Services upon the acceptance of the entire Supply of Goods/Services by the Client without any comments or reservations. At this point in time, the risk of accidental loss of or damage to the Goods also passes from the Supplier to the Client.
- 4.7. The dates of the Supply of the Goods/Services are specified in the Order and shall mean the dates of the Supply of the Goods/Services at the location specified in the Order.
- 4.8. After the ineffective lapse of the Goods/Service supply period, the Client shall have the right to demand compensation from the Supplier for failure to Supply the Goods/Services or to withdraw from the contract in whole or in the part relevant to the failed Order. The Client may submit a statement of withdrawal from the contract within 2 (two) months of the expiry of the Goods/Service Supply deadline specified in the Order. In such case, the Supplier shall have no claims against the Client, including in particular any claims for payment of any damages.
- 4.9. Acceptance by the Client of a delayed Supply of Goods/Services shall not result in the Client losing its rights in this respect or waiving its claims.
- 4.10. If there is a risk of non-compliance with the Goods/Service Supply deadline, the Supplier shall, before the date specified in the Order as the Goods/Services Supply date, indicate in writing to the Client the reasons for the delay and the expected Goods/Services Supply date.
- 4.11. In the event of a delay in the Supply of the Goods/Services, the Client shall have the right to demand from the Supplier the payment of a contractual penalty for each day of delay in the amount calculated as 10% of the net value of the delayed Supply of the Goods/Services.
- 4.12. The Client shall have the right to deduct the contractual penalties accrued from the Supplier's remuneration.
- 4.13. If the contractual penalty does not cover the damage suffered, the Client may seek additional compensation under the generally applicable rules.

5. Price and Terms of Payment

- 5.1. The price specified in the Order shall be fixed and shall remain unchanged until the Order is fully executed. Unless otherwise agreed, the price in the Order shall include packaging costs, taxes, customs duties, insurance, transport costs, etc. until the Goods ordered are delivered to the address specified by the Client, as well as remuneration for the transfer to the Client of Intellectual Property Rights in connection with the supply or use of the Goods/work resulting from the performance of the Service.
- 5.2. If the Order also includes the provision of Services related to the Goods, the price shall also include those Services.
- 5.3. Payment for the delivered Goods/Services shall be made based on a correctly issued invoice.
- 5.4. The Supplier shall always indicate the Order number and the name of the person placing the Order on the invoice issued by the Supplier to document the delivery of the Goods/Services to the Client.



- 5.5. In any case, the invoice shall be issued on the basis of a confirmation of receipt of the Goods/Services by the Client and a no-reservations acceptance report signed by representatives of the Client and the Supplier, if the Parties have provided for an obligation to draw up such a report.
- 5.6. Provided that the Goods/Services supplied and the details indicated in the invoice match the specifications and terms of the Order, payments shall be by bank transfer to the Supplier's account indicated in the invoice.
- 5.7. Payment shall be made within 30 calendar days from the date of receipt by the Client of a properly issued invoice. The Parties may agree in writing on a longer payment period.
- 5.8. Without the prior written consent of the Client, the Supplier shall not be entitled to transfer the rights and obligations arising from the execution of the Order to another entity.

6. Guarantee

- 6.1. The Supplier warrants that the Goods/**Services** provided conform to the arrangements contained in the Order, are free from any defects that would reduce their value or usefulness resulting from the objective of the Order or their fitness for purpose.
- 6.2. The Supplier warrants that in the event that the purchase or use of the Goods/Services requires the Client to acquire Intellectual Property Rights, the Supplier shall transfer these rights to the Client to the extent necessary for the proper use of the Goods/Services by the Client or otherwise ensure that the Client acquires these rights.
- 6.3. The guarantee period granted by the Supplier shall be 24 months and shall run from the date of acceptance of the Goods/Services by the Client without any comments or reservations.
- 6.4. Unless otherwise stated in these GTCP, the Supplier's liability and obligations under the guarantee shall be governed by the provisions of the Civil Code.
- 6.5. Upon becoming aware of a defect in the Goods/Services, the Client shall promptly notify the Supplier thereof. The Supplier shall remedy the identified defects within the time limit set by the Client.
- 6.6. The Client reserves the right to return defective Goods to the Supplier at the Supplier's expense or to demand replacement of the Goods with new non-defective ones. If the Supplier fails to remedy the defect within the prescribed time limit, the Client shall have the right to entrust the rectification of the defect to another entity at the Supplier's expense and risk, upon prior written notification to the Supplier and granting the Supplier an additional time limit for the rectification of the defect. This provision shall not release the Supplier from its liability under the guarantee.

7. Services

- 7.1. Services may be the subject of an independent Order.
- 7.2. Unless otherwise stated in the Order, it shall be assumed that:
 - the value of the Service is included in the Order price,



- all costs related to the Service provided by Supplier, and in particular the costs of accommodation, travel and insurance of Supplier's personnel, etc., shall be borne by the Supplier.

7.3. If the Service subject to the Order is performed on the Client's premises, the Supplier must be duly qualified to perform the Service properly and in a timely manner and it shall be responsible for the safety of the work performed.

7.4. The Supplier's personnel shall comply with the regulations in force on the Client's premises and shall obtain all the necessary permits to perform work included in the Service. The Supplier shall be fully liable for damages suffered by the Client as a result of the actions of the Supplier, its personnel and persons used by the Supplier in the performance of the Service.

7.5. The Supplier assumes the full risk and any possible consequences and claims arising in connection with the Service provided.

7.6. The Supplier shall obtain the Client's prior written consent to subcontract the performance of the services.

8. Confidentiality

- 8.1. All data and information obtained from the Client, whether oral or written, including but not limited to the Client's data, shall be treated as confidential information. This information may be used by the Supplier only for the purpose of performing the contract and on the terms and conditions specified in the GTCP.
- 8.2. The Supplier shall keep strictly confidential the Client's data and any other data and information obtained from the Client in connection with the performance of the Order.
- 8.3. Without the prior written consent of the Client, the Supplier may not refer in any documents, publications, advertisements or information provided in any form to the fact that it has supplied Goods/Services to the Client.

9. Final Provisions

- 9.1. The Client reserves the right to return part of the Supply, as well as to limit its scope. The return of the Goods or limitation of the scope of the Order shall be settled using the unit prices resulting from the Order.
- 9.2. The Supplier shall, by commencing the performance of the Order, indemnify the Client against any liability for any third party claims for infringement of copyright, patents, trademarks, etc. related to the delivered Goods/Services or products resulting therefrom.
- 9.3. The Supplier may only assign the receivables and other rights and obligations under the Order with the Client's prior written consent.
- 9.4. In the event of the legal ineffectiveness of certain provisions of these General Terms and Conditions for Purchase, including as a result of the introduction of different legal regulations, the remaining provisions of the GTCP shall remain in force. In accordance with this clause, in the event that certain provisions of the General Terms and Conditions for Purchase are found to be invalid, the Parties undertake to enter into negotiations to supplement the General Terms of Purchase in that part.



- 9.5. Only the applicable provisions of Polish law shall apply to the Order. The application of the 1980 United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.
- 9.6. Any disputes shall first be settled amicably and, in the absence of an agreement, by the court having jurisdiction over the registered office of the Client.
- 9.7. Any amendments, additional arrangements, suspensions or termination of the terms of the Order shall be null and void unless made in writing and shall require the written approval of both Parties.

These General Terms and Conditions for Purchase of Goods and Services shall apply from 1 November 2020.