GENERAL TERMS AND CONDITIONS OF THE ORDER OF THE PESA MINSK MAZOWIECKI S.A.

PESA Mińsk Mazowiecki (hereinafter referred to as the "Ordering Party") orders the delivery of the Goods or the performance of the service specified in the Order, and the Supplier/Contractor delivers the Goods or provides a service. These General Terms and Conditions of the Order constitute an integral part thereof, unless the Parties specify other individual terms of cooperation in writing as regards the performance of the Order.

1. Subject of the Order,

1.1. The subject of the order is specified in the Order. If the Order concerns a set, its components are specified in the Order or the specification. The specification is attached to the order.

1.2. Only materials that meet the quality requirements specified in relevant standards, technical documentation as well as certificates and approvals specified by the Ordering Party in the technical specification and the Order may be used to perform the Goods/Services covered by the Order.

1.3. The ordered quantity of Goods/scope of Services results from the content of the order or technical documentation, drawings, standards, lists and specifications as well as arrangements between the Parties. The use of material other than specified in the above-mentioned documents or arrangements does not authorize the Supplier to increase the remuneration and does not relieve the Supplier from potential contractual penalties in the event of using materials and procedures not approved by the Ordering Party - unless the Parties agreed otherwise.

In case of any changes and non-conformities in the Goods/Service that affect the compliance of the subject of the order with the specification and the order completion date, the Supplier is obliged to notify the Ordering Party and obtain the Ordering Party's written consent to the changes within 10 days of placing the order.

1.4. The agreement between the Ordering Party and the Supplier/Contractor with whom the Ordering Party remains in permanent economic relations is concluded if the Supplier/Contractor will not send by e-mail to the address from which the Order was sent, a response to the Order, so that it reaches the Ordering Party within 7 days from the date of receipt of the Order by the Supplier/Contractor. The Parties recognize the performance of at least three orders by the Supplier/Contractor for the Ordering Party as "remaining in permanent economic relations".

1.5 The agreement between the Ordering Party and the Supplier/Contractor, with whom the Ordering Party does not have permanent economic relations, is concluded if the Supplier/Contractor sends by e-mail to the address from which the Order was sent, a confirmation of acceptance of the Order so that it reaches the Ordering Party within 7 days from the date of receipt by the Supplier/Contractor of the Order or when the Supplier/Contractor starts to perform the Order in due time. However, the Ordering Party may stipulate in the content of the Order that the agreement is concluded only in the case of sending the Order's acceptance confirmation in the manner specified in the first sentence.

1.6. The Supplier is obliged to advise the delivery 2 days before the planned delivery - indicating the date, time and material to be delivered. The notification address is the e-mail address.

awizacja@mm.pesa.pl

2. Price and terms of payment.

2.1. The price of the Good/Service is specified in the Order.

2.2 The price includes the value of the Goods or service, protective packaging (along with the specification of the material, the agreed type of packaging and its weight), loading onto the means of transport, and (unless the Parties have agreed otherwise) the cost of transport to the Ordering Party. The Supplier is responsible for the manner of protective packaging.
2.3. The price in the Order is a net price and each time it shall be increased by the VAT rate, in accordance with applicable regulations.
2.4. The price expressed in a foreign currency is converted into PLN according to the average exchange rate of the National Bank of Poland on the day preceding the invoice issue date.
2.5. The payment deadline is specified in the Order. The payment date is counted from the date of receipt by the Ordering Party of the VAT invoice correctly issued after the date of complete delivery to the Ordering Party or performance of the Service. The completeness of the delivery is defined in point 3.4.
2.6 The invoice payment deadline, in the event of a complaint, shall be each time extended by the number of days necessary for a defect-free delivery.
3. Deadlines and deliveries.
3.1. The completion date of the Order is specified in the Order, as agreed by the Parties. If the Supplier/Contractor has learned about the real risk of failure to meet the completion date of the Order, he is obliged to immediately inform the Ordering Party about this fact. Change of the Order completion date requires the written consent of the Ordering Party in the form of an updated delivery schedule.
3.2. The Goods delivered to the Ordering Party are free from legal defects and not encumbered with third party rights, have the documents and certificates required in the Order and meet the standards required in the Order and specification.
3.3. The Goods should be packed by the Supplier taking into account the given type of product in a manner ensuring its safety during loading and unloading as well as transport. The Supplier/Contractor is responsible for improper packaging of the Goods.
3.4. The Supplier is obliged to label the Goods in accordance with the Ordering Party's requirements and attach the required documents, including: certificates, approvals, technical documentation, waybills, VAT invoice with reference to the Order number, copy of the Order, guarantee document, as well as other documents indicated by the Ordering Party in the Order. Partial or early delivery may be made only after obtaining the written consent of the Ordering Party.
3.6. The Ordering Party shall perform a quantitative and qualitative acceptance, as well as, a completeness acceptance of the required documentation. The Ordering Party reserves the right to control the production process and to perform quality acceptance of the ordered Goods/Services at every stage of the Order execution process. In the absence of a complete set of documentation, the Ordering Party reserves the right to refuse the acceptance of the Goods/Service until it is completed. The Goods shall be stored at the expense of the Supplier/Contractor.
3.7. In the event of a delay in the execution of the Order exceeding 4 calendar days, the Ordering Party is entitled to withdraw from the Order with immediate effect. The Ordering Party shall notify the Supplier/Contractor above that fact in writing via the postal operator or by e-mail.

4. Guarantee.
4.1. The Supplier/Contractor guarantees the performance of the subject of the Order in accordance with the requirements of the Ordering Party as well as technical

requirements and standards. The Supplier/Contractor is responsible for the Goods/Service inconsistent with technical requirements, standards and specifications.

4.2. The Supplier/Contractor provides a quality guarantee and warranty for defects on the Subject of the Order for a period of 36 months, unless a different guarantee period is indicated in the order. The guarantee period begins when the vehicle, assembly or component is handed over to the Customer.

4.3. After the delivery, the Ordering Party shall report any quantitative and qualitative defects to the Supplier/Contractor in writing or by e-mail. The Supplier is obliged, within 2 calendar days from the date of notification of the defect, to repair the defective Goods at the place indicated by the Ordering Party or to deliver the Goods free from defects. Upon completion of the guarantee repair, the Supplier is obliged to immediately send the Ordering Party a report on the repair to the following address:

reklamacje-lpz@mm.pesa.pl - in the case of the claimed Goods

serwis@mm.pesa.pl - in the case of service complaints

The date of completion of the guarantee repair is the day of the receipt of a repair report from the Employer's control department.

4.3 a. In the event of revealing defects or faults, the guarantee period is extended by the period necessary to remove them.

4.3 b During the guarantee or warranty period, the Supplier/Contractor may reject the Ordering Party's claim submitted in the above manner only if he proves that the defect of the Goods/Service was caused by the Ordering Party's failure to observe the Supplier's/Contractor's instructions/documents concerning the use or application, an action of a third party or force majeure.

4.4. If, during the warranty period, the delivered Goods/Service fails three times, the cause of which lies with the Supplier/Contractor, the Supplier/Contractor is obliged, within 2 days, at his own expense and in the place indicated by the Ordering Party, to replace the defective Goods with a new one/to perform the service again, so that the subject of the Order is free from defects. In the event of replacement of the defective Goods with a new one/re-performance of the Service, the guarantee or warranty period is counted from the beginning of the day on which the Ordering Party accepted the new Goods/re-performed Service.

4.5. The Ordering Party has the right to remove defects or damages arising during the guarantee period on his own at the expense of the Supplier/Contractor after obtaining his written consent, as well as without his consent if the Supplier/Contractor does not specify the method of removing defects within 2 calendar days from the date of notification by the Ordering Party about finding defects.

4.6. A Serial Defect shall be deemed to exist if during the guarantee period the same type of the defect occurs in at least 3 items of the Goods, assemblies or subassemblies covered by the Order. The Supplier is obliged to remove the serial defect in all items of the Goods covered by the Order - regardless of whether the defect has already occurred in them or not. The repair/replacement of the subject of the order shall not affect the functionality and completeness of the vehicle. New parts, assemblies or

subassemblies shall meet the requirements of the Order. Any changes require a written approval of the Ordering Party.

4.7. The methods of effective removal of a serial defect are:

a. replacement of the defective Good or its defective component with a new one

b. replacement of the defective Good or its defective component with the Good or its component
from another manufacturer - after obtaining the prior written consent of the Ordering Party.
c. modification of the structure of the Good or its defective component and delivery of the Good/modified component - after obtaining the prior written consent of the Ordering Party.
4.8. Reoccurrence of a serial defect means that it has not been effectively removed.
4.9 A serial defect shall be removed by the Supplier without undue delay, at the latest within 21 days of its occurrence, unless the Parties agree in writing to another date for the removal of a serial defect. The Supplier grants a 36-month guarantee for all components covered by the method of removing a serial defect. In the case of a serial defect, the parties shall determine all costs necessary to remove it. The Supplier/Contractor shall reimburse the Ordering Party the costs incurred by the Ordering Party in order to remove a serial defect within 30 days from the date of delivery of the invoice/note.
5. Penalties.
5.1. For untimely delivery/performance of the Subject of the Order, the Ordering Party shall charge a contractual penalty of 1% of the gross value of the delivery for each day of the delay. In the event of failure to hand over the set of required documents upon the acceptance of the Goods/Service, a contractual penalty of PLN 1,000 shall be imposed on the Supplier/Contractor. In the event that the Ordering Party is charged with a penalty for reasons attributable to the Supplier/Contractor, the Ordering Party has the right to claim compensation from the Supplier/Contractor on general terms for the damage he suffered as a result of imposing a contractual penalty by the final recipient.
5.2. In the event of a delay in removing a defect in the Good/Service or a serial defect in the Good, the Ordering Party has the right to charge the Supplier/Contractor with a contractual penalty of 2% of the gross value of the Good/Service for each vehicle, assembly or subassembly in which the defective Good was installed or the defective Service was performed, but not less than PLN 100 for each day of delay. If a defect of the Good/Service makes it impossible to regularly use the vehicle in which the Good/Service has been installed, the Ordering Party has the right to charge the Supplier with an additional contractual penalty of 1% of the gross value of the delivery for each day on which the vehicle was unable to operate.
5.3. In the event of a delay in removing a defect of the Goods/Service or a serial defect of the Goods that are not intended for use in vehicles, the Ordering Party has the right to charge the Supplier/Contractor with a contractual penalty of 2% of the gross value of the ordered Goods/Service, but not less than PLN 100 per each day of delay.
5.4. The penalty specified in point 5.2 applies in the case specified in point 4.4. counting from the 3rd calendar day from reporting the defect and in point 4.9 counting from the day following the day on which the deadline for removing a serial defect expires. If the defects are not removed within the deadlines resulting from these GTCO, the Ordering Party shall charge penalties related to the "Reliability Factor"
5.5. If the value of charged contractual penalties does not cover the damage suffered, the Ordering Party shall claim supplementary compensation on general

terms up to the full amount of the damage suffered. At the same time, the Ordering Party informs that the majority of its orders are placed for the purpose of implementing public contracts, the improper performance of which is sanctioned with penalties calculated on the value of the products in which the Goods and/or Services covered by the Order may be installed or performed.

5.6. The Supplier bears the same liability towards the Ordering Party as the Ordering Party bears towards the Client, if the delay in the performance of the Supplier's/Contractor's obligations shall result in delays in the performance of the Ordering Party's obligations.

6. Final Provisions.

6.1. If there is no possibility of an amicable settlement of the dispute arising in connection with the implementation of the Order and the application of these General Terms and Conditions of the Order, the dispute shall be resolved by the court having jurisdiction over the seat of the Ordering Party.

6.2. Neither Party shall, without the written consent of the other Party, assign rights and liabilities to third parties. Moreover, the Supplier/Contractor cannot commission the performance of the Subject of the Order to other Suppliers/Contractors without the consent of the Ordering Party.

Dyrektor Działu Zakupów
Robert Jackowski
PROKURENT