



## GENERAL CONDITION OF SALES

### PCC CONSUMER PRODUCTS KOSMET SP. Z O.O. of 21.11.2018

#### I. General provisions

**1.1** General terms of sale of PCC Consumer Products Kosmet Sp. z o.o., hereinafter referred to as the Seller, apply to the sale and delivery of goods made by the Seller to the Buyer and the provision of services related to it. Whenever these General Sale Terms and Conditions, hereinafter referred to as GTCS, refer to a contract, a sale, a sales contract, it should also be understood as a delivery, a delivery contract, and whenever reference is made to the Seller and the Buyer, it should also be understood as the Supplier and the Recipient.

**1.2** These GTCS are available on the Company's website at <https://kosmet.com.pl/o-nas/do-pobrania/>.

**1.3** Provisions different from the GTCS or statutory regulations, in particular contained in the Buyer's terms of purchase, are binding for the Seller only if they are confirmed by the Seller in writing, in accordance with the rules of representation of the Seller. Delivery free from reservations, provision of services, sale of goods does not mean that the Seller will accept different provisions.

**1.4** The Buyer's orders do not bind the Seller until they have been clearly confirmed by the Seller in writing or electronically (an e-mail sent from the official mailbox). If the contract is referred to in the GTCS, it should also be understood as an order clearly confirmed by the Seller.

#### II. Delivery/shipping

**2.1** The Buyer has no right to sell goods purchased from the Seller in violation of the sanctions regulations, in particular the EU and the US, to countries and people who have been subject to economic sanctions prohibiting commercial activities related to the goods being sold. If the Buyer fails to comply with this prohi-

bition, he shall pay to the Seller a contractual penalty of 30% of the value of the goods delivered. The Seller may demand compensation from the Buyer exceeding the value of the reserved contractual penalty on the terms provided in the Civil Code.

**2.2** The Seller pays particular attention to the sale of his goods in accordance with generally applicable legal norms, in particular international law. If it turns out that the sale of goods would violate such standards, in particular legal norms for dual-use goods or standards imposing economic sanctions of the European Union or European Union countries, UN, OFAC (USA) or would violate other national or international sanctions prohibiting trade activities related to commodity then the offer made by the Seller should be treated as non-binding and the Seller may withdraw from the contract already concluded immediately, without additional costs, within 3 months from becoming aware of the withdrawal basis. In addition, the Seller may demand from the Buyer to repair the resulting damage.

**2.3** The INCOTERMS rules established in the contract always refer to INCOTERMS 2010.

**2.4** For each delivery of goods, ownership of the goods passes to the Buyer when the goods are delivered to the Buyer or the carrier.

**2.5** If the Seller cannot deliver the goods on the agreed date, due to circumstances which he could not foresee or prevent during the conclusion of the contract, he will inform the Buyer thereof. In this case, the Seller shall not be liable for improper performance or non-performance of the contract. The parties, by means of a separate agreement, will set a new date for dispatch, taking into account the possibilities and needs of each of them.

**2.6** When delivering goods in railway tankers / wagons of the Seller, the time of unloading of the tanker / wagon

at the Buyer's site may not be longer than 56 hours from the moment of delivery to the Buyer's transfer and reception tracks. Exceeding this period authorizes the Seller to charge the Buyer parking costs in the amount of PLN 500 for each subsequent commenced 24 hours, unless specified otherwise in the contract, or, at the Seller's discretion, specified by the carrier who carried out the carriage.

**2.7** If the delivery is made by a car tanker/truck of the Seller or another carrier acting on his behalf, the Buyer is obliged to unload the car tanker/truck immediately upon his arrival to the Buyer. In the event of the car tanker/truck not being unloaded by the buyer within 4 hours (unless specified otherwise in the contract) from the moment the car tanker/truck is reported to the Buyer, the Seller shall charge the Buyer with the costs of the stoppage of the means of transport. If the Buyer will have to perform customs clearance, the waiting time necessary to unload the seller's car tanker/truck is extended from 4 to 8 hours.

**2.8** In the event of additional costs related to the performance of the contract, transport caused by reasons attributable to the Buyer, i.e. related to delivery documentation, delay in the return of packaging or means of transport, as well as due to non-performance or improper performance of the Buyer's obligations under the delivery base accepted in the contract, the Seller will be entitled to demand reimbursement of these costs from the Buyer.

**2.9** The Buyer, when collecting the goods, is obliged to check the compliance of the delivery with the received documentation, inspect the goods and accept it by signing, sealing and entering the date of receipt of the goods on the appropriate consignment note, the copy of which the Buyer returns to the Seller upon the receipt of the goods.

**2.10** Unless stipulated otherwise in the contract, the Seller is entitled to deliver the goods in parts and to invoice them separately. Delay in delivery of goods does not release the Buyer from the obligation to accept delivery and pay for it. The delivery of a smaller quantity of goods from the one agreed between the parties does not entitle the Buyer to refuse to accept the goods, in which case the Buyer is obliged to pay an appropriate part of the remuneration for the quantity of goods delivered.

**2.11** If the Seller has specified in the contract the destination country of the goods (Territory), the Buyer has no right to its active resale outside the Territory.

**2.12** In the event of non-performance or improper performance of the contract by the Buyer, and in par-

ticular in the event of delay in the receipt of goods, the Seller may demand from the Buyer a contractual penalty in the amount of 10% of the gross value of the goods to which the allegations relate. The penalty is payable on the first written request of the Seller. The Seller may demand compensation from the Buyer exceeding the value of the reserved contractual penalty on the terms provided in the Civil Code.

### III. Packaging

**3.1** The buyer who received the goods in the returnable packaging is obliged to return the empty return packaging to the address indicated by the Seller, in a condition not deteriorated beyond normal wear, within 60 days from the date of delivery of the goods in these packaging, unless otherwise agreed in the contract.

**3.2** If the return packaging is not returned within 60 days from the date of delivery of the goods in this packaging, the Seller shall issue an invoice for sale of the above returnable packaging, within the time limit set in the Value Added Tax Act (VAT), according to the average market value of the packaging. In the case of returning a damaged, incomplete or contaminated packaging other than the product delivered, the Seller has the right to refuse to accept such packaging and to charge the Buyer with the equivalent of a new packaging.

### IV. Settlements

**4.1** Unless the contract provides otherwise, all invoices of the Seller shall be paid by the Buyer by bank transfer to the Seller's account, in full amount and without deducting bank transfer costs.

**4.2** Failure to pay the due amount will result in charging interest in the amount determined in accordance with applicable regulations for each day of delay. In the event of a delay in payment, the Seller may also demand compensation for the damage suffered.

**4.3** If the trade credit limit granted by the Seller has been exceeded or there is a delay in the payment of the Buyer, the deliveries will be made by the Seller only after the Buyer has settled the amounts due which exceed the above-mentioned amounts. limits and all other due amounts. Exceeding the trade credit limit or delay in payment may also constitute grounds for refusal to perform further deliveries, including deliveries already confirmed. Any payments made by the Buyer may be credited in the first instance against interest and the earliest due amounts, regardless of the Buyer's choice.

4.4 The buyer acknowledges that his trade credit limit may change without giving reasons.

4.5 Payments by check are excluded, unless the contract provides otherwise.

4.6 Buyer's claims may not constitute grounds for Buyer to withhold payments to the Seller. The Buyer's deduction of his claims against the Seller's receivables is excluded.

4.7 Each change of the Seller's bank account requires for its effectiveness additional confirmation by the Seller.

## V. Complaints, liability for non-performance or improper performance of the contract

5.1 Subject to the provisions of paragraph 5.8 and the agreed terms of Incoterms 2010, the Seller is responsible for the quality of the delivered goods, which confirms the quality test delivered at the request of the customer, assessed at the time of its loading at the Seller's plant, only in terms of compliance with the technical specification of the product. If the quality of the goods was not specified in the contract, the Seller guarantees that it is compliant with the technical specification of the product (TSP), constituting an attachment to the contract of sale. The Seller is not responsible for the manner and purpose of using the goods, other than indicated in the technical specification of the product (TSP), as well as technical assistance and information provided (transmitted orally, in writing or in the form of production assessments), including in the form of proposed studies and recommendations. If the parties have agreed on any quality parameters of the product that deviate from the technical specification of the product (TSP), they are binding on the condition that they are included in the contract.

5.2 In order to determine the proper quality of the delivered goods, an archival sample collected at the time of production of a given batch during the production process of the Seller is binding. The Seller is not responsible for improper preparation by the Buyer or the carrier acting on his order, substituted for the loading of the means of transport, and in particular for its purity and technical condition. The same applies to packaging owned by the Buyer.

5.3 Samples of goods delivered to the Buyer during negotiations before the conclusion of the contract, inform about typical application and application parameters of the product and therefore cannot be a measure of proper quality for a specific delivery.

5.4 The buyer is obliged to inspect the goods at the time of delivery. In the case of any defects or damage

during the delivery, this fact should be noted by the Buyer on the delivery note, precisely specifying the quantity and type of assortment that have not been accepted by the Buyer. Confirmation of this fact with a legible signature of the carrier is a condition for the complaint to be accepted by the Seller.

5.5 Defects that could not be detected during the delivery delivery can be reported by the Buyer no later than within 7 days from the date of delivery.

5.6 The Buyer's failure to comply with the above-specified deadlines for inspecting the goods and notifying the Seller of the defect, results in the loss of rights under the warranty for product defects.

5.7 The Seller will not accept returning the product for other reasons than resulting from the complaint acknowledgement.

5.8 The person receiving the goods on behalf of the Buyer is deemed to be the person authorized by him to collect the delivery and sign it on his behalf on the delivery document. It is required that the person collecting the goods has submitted his signature on the delivery document and has conquered it with the company stamp and the position stamp.

5.9 The Seller shall not be liable for defects in goods related to the expiration of the shelf-life specified in the technical specification of the product (TSP).

5.10 The Buyer undertakes to transport and store the product in accordance with the conditions declared by the Supplier in TSP and on the product label. Quality, quantity, logistic or other complaints shall be notified to the Seller in writing or by e-mail, without delay, however not later than within 7 days from receipt of the goods under pain of leaving the complaint without its consideration and the Buyer losing all claims from this title, unless the defect could not be detected, despite the examination of the good in time and in the manner accepted for goods of this type

5.11 In the case of hidden defects of the product sold, the Buyer is obliged to report the defect to the Seller immediately after its detection, however not later than within 7 days from the detection of the defect under pain of leaving the complaint without recognizing it and losing any claims by the Buyer, including however, stipulation that the Buyer's right to declare a defect of a hidden product expires after 1 year from the date of receipt of the goods or after the expiration date of the goods, whichever is earlier

5.12 To begin the complaint procedure, it is necessary to accurately describe the reservation by the Buyer and provide the Seller with the following documents:  
a) in the case of a qualitative complaint: (i) the results

of the quality test of the goods at the Buyer, and in the absence of such tests - delivery of an archival sample to the Seller and photographic documentation,

b) in the case of a quantitative and logistic complaint: (i) a damage report drawn up by the Buyer and the Driver of the vehicle. The report should contain a description of the problem that occurred, the condition of the packaging and the signature of the Buyer and Driver. In a situation where the Driver refuses to sign, this fact must be stated by the Buyer in the content of the damage report.

If the complaint concerns the quantity of goods delivered in canisters, barrels, IBC containers, then: (i) a weight certificate will be required; (ii) legalization certificate, (iii) recording and / or pictures of monitoring the invasion of the car by the weight or statement of the Buyer on the lack of monitoring of the weighing process. The Seller may require the Buyer to deliver other than the abovementioned important documents that may constitute evidence in the complaint procedure.

**5.13** The Seller will consider the complaint within 21 days from the date of receipt of the complete documents referred to in item 5.12. The above does not apply to the case when the Seller takes a position regarding the complaint, it is necessary to obtain additional information and / or opinion of the Buyer and / or opinion / expert opinion from entities independent of the parties. In this case, the Seller shall notify the Buyer of this fact, specifying the approximate date of settling the complaint.

**5.14** If the complaint is accepted, the parties will arrange separately in writing or in electronic form regarding the method of satisfying the Buyer's claims, taking into consideration the following possibilities: in the case of quality complaints - appropriate reduction of the sale price of the delivered goods or returning the goods instead of defective goods, the same amount of goods free from defects; in the case of quantitative complaints - a reduction in the sales price according to the actual quantity of the delivered goods, or a supplementary delivery.

The Buyer's demands may not exceed the value of the batch of goods claimed, and in particular the Buyer may not make any further claims in this respect, i.e. demand compensation for the damage suffered due to the lack of these properties of the goods, about which the Seller assured.

In any event, the Seller's liability for non-performance or improper performance of the contract is limited only to losses actually incurred by the Buyer and un-

der no circumstances exceed the value of the delivered goods from a given delivery. The Seller is not responsible for lost profits, indirect damages, loss of the Buyer's profits or for losses incurred by third parties.

**5.15** In the event of non-performance or improper performance of the contract by the Buyer, and in particular in the event of delays in the receipt of goods, the Seller may demand from the Buyer a contractual penalty in the amount of 10% of the gross value of the goods to which the allegations relate. The penalty is payable on the first written request of the Seller.

**5.16** It is allowed to claim damages exceeding the amount of the contractual penalty, and the compensation should cover both the real losses incurred by the Seller as well as the expected but lost benefits.

**5.17** Neither party shall be deemed guilty of failing to meet its obligations in the event of force majeure as defined in these General Terms and Conditions of Sale as any external, extraordinary incident that the party could not have predicted, or whose side, despite due diligence, it could not avoid, in particular: states of natural disaster (fire, flood, other activities of natural forces) war, riots, strikes, disruptions in supplying the Seller with raw materials, failure of installations or devices, as well as acts of public authority. A party affected by force majeure should immediately notify the other party about its occurrence and the expected duration.

**5.18** If the circumstances referred to in item 5.14 lead to a significant increase in the own production costs, it is possible to renegotiate the price of the goods set in the contract.

**5.19** Unless the GTCS or the contract provide otherwise, the liability of the Seller towards the Buyer for any reason is limited solely to the value of the batch of which the claim applies. The Seller shall not be liable for lost profits, indirect damages, loss of the Buyer's profits or losses suffered by third parties.

**5.20** The responsibility of the Seller for the quality of the product is excluded in the event that the Buyer knew about the defect of the goods at the time of its issue.

**5.21** The liability of the Seller due to warranty under the rights of Civil Code is excluded.

## **VI. Support activities**

The Buyer is advised to independently check the submitted suggestions, recommendations, solutions and instructions, as well as the results of other consultations and analyzes conducted as part of technical support before their application in real production conditions.

**6.1.** The technical support activities accompanying the sale of the Seller's goods are voluntary on the part of the Seller and are aimed solely at presenting the characteristics of the Seller's products and their possible uses. These activities may be terminated at any time, regardless of the delivery of the Seller's goods, without any claims from the Buyer.

**6.2.** All suggestions, recommendations, solutions and instructions provided in any form by technical consultants or other employees of the Seller, as well as the results of other consultations carried out as part of technical support are the result of research conducted in laboratory conditions and constitute only general guidelines for optimal use and processing of the Seller's goods.

**6.3.** Unless otherwise stipulated in the contract with the Buyer, the Seller shall not be liable for achieving the results of using the Seller's goods and / or applying suggestions, recommendations, solutions and instructions provided by the Seller and the results of other consultations and analyzes carried out as part of technical support, as well as for the consequences of any use by the Buyer of such suggestions, recommendations, solutions and instructions, and the results of other consultations and analyzes conducted as part of technical support

## **VII. The right law and resolving disputes.**

**7.1** If the Buyer is located in the territory of the Republic of Poland, in matters not covered by the contract and GTCS, Polish law shall apply, and any disputes related to the contract shall be settled by a common court competent for the Seller's registered office.

**7.2** If the Buyer is located outside the territory of the Republic of Poland, in matters not covered by the agreement and GTCS, Polish law applies, with the exception of the United Nations Convention of 11 April 1980 on international purchase agreements (CISG), irrespective of whether the buyer has your headquarters in the CISG partner country or not.

Any disputes related to the contract will be settled by the Court of Arbitration at the Polish Chamber of Commerce in Warsaw - in accordance with the rules of procedure before this court. Each of the parties is required to comply freely and immediately with the decision of the Court of Arbitration at the Polish Chamber of Commerce in Warsaw.

## **VIII. Stock exchange, trade secret**

**8.1** The buyer acknowledges that the Company: PCC Consumer Products Kosmet Sp. z o.o. belongs to the

Capital Group PCC Rokita. The buyer acknowledges that PCC Rokita S.A. and PCC Exol S.A. as issuers of securities admitted to trading on the Warsaw Stock Exchange, they are subject to a number of regulations in force in the European Union regarding the protection of confidential information on the capital market, in particular they are subject to the regulations of the European Parliament and Council Regulation (EU) No. 596/2014 of April 16, 2014 on market abuse, the Act of 29 July 2005 on trading in financial instruments and the provisions of the Act of 29 July 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies. Therefore, information created as a result of the implementation of this contract may constitute confidential information within the meaning of article 7 of the Regulation on market abuse. Disclosure and use of confidential information in a manner inconsistent with this agreement is prohibited. The prohibition of disclosing confidential information does not apply in a situation where they must be disclosed in connection with the performance of obligations resulting from the generally applicable provisions of law, in particular it does not apply to PCC Rokita S.A. and PCC Exol S.A. in connection with their obligation of immediate public disclosing of confidential information directly concerning them, the contents and fact of publication of which PCC Group subsidiaries are not obliged to consult with the Buyer.

**8.2** All information and documents regarding the contract and its execution constitute a trade secret of the Seller and may not be disclosed to third parties without his written consent, or otherwise used by the Buyer. This also applies to information about which the Buyer learned on the occasion and in connection with the conclusion and performance of the agreement.

## **IX. Principles of sustainable development**

**9.1** One of the main strategic assumptions of the PCC Group companies is striving for balance between the economic viability of the business and the broadly understood social interest and responsible management of the organization. The PCC Group conducts its business in a sense of responsibility for the results of its activities and applies national and international norms and standards in assessing the ethical conduct of employees and other stakeholder groups, respect for human rights, compliance with employee rights and respect for the natural environment.

**9.2** The issues of sustainable production and consumption as well as social responsibility are important

at all levels of the PCC Group's operations. By implementing management systems, applicable Codes of Ethics and activating the Sustainable Development strategy in the entire value chain, we strive to promote among our stakeholders the values that our Corporate Social Responsibility (CSR) policy brings.

**9.3** Ethical priorities in the PCC Group are mainly related to areas such as anti-discrimination, respect for human rights and environmental protection. These values are taken into account in the decision-making processes undertaken at particular levels of the organization. The PCC Group adheres to all laws, regulations and standards, including international rules that take into account the concept of Corporate Social Responsibility (CSR). The seller takes actions related to shaping the right economic and social relations and expects the same from his clients both in Poland and around the world.

**9.4** The key issues regarding our ethical culture have been included in the current Ethics Book, (<https://files.pcc.pl/pl/KodeksPostepowania>), the provisions of which are addressed to both employees and external stakeholders of the PCC Group. We therefore expect all buyers to respect the principles set out in the aforementioned document. Respecting the values and principles set out in it is an extremely important aspect of mutual cooperation, which should be based on mutual respect, transparency and other ethical values.

**9.5** The buyer therefore declares that by cooperating with the Seller, it conducts its business with a sense of responsibility for the consequences of its proceedings and applies uniform standards both in assessing the ethical behavior of employees and third parties, respect for human rights, respect for employees' rights and respect for the natural environment.

## **X. Personal data protection**

**10.1** The Seller is the administrator of personal data provided in connection with the conclusion and implementation of the contract, e.g. contact persons and employees / co-workers, by the Buyer. Contact with the Seller regarding the protection of personal data is possible at the address of the Seller

**10.2** Personal data may be processed by the Seller in order to:

- a) conclusion and implementation of the contract - for the duration of these contracts - the basis for processing is the necessity to conclude a contract;
- b) contact with the Buyer - for the period necessary to answer the question or take such actions - the basis

for processing here is the implementation of legitimate interests of the administrator or taking action at the Buyer's request to conclude a contract;

c) fulfilling the legal obligations of the Seller (i.e. tax, accounting for complaint consideration) - for the duration of these obligations or for the period necessary to demonstrate compliance with these obligations to the bodies authorized to control the Seller in this respect - the legal basis for processing is the administrator's responsibility;

d) establishing, defending and pursuing claims for a period after which the claims (i.e. resulting from contracts) expire or for the duration of any proceedings, the basis for processing is the legal obligation incumbent on the administrator.

**10.3** The scope of processed personal data includes necessary, required information for the implementation of the contract, in particular: name and surname or company name; number nip; address; e-mail address; contact phone number.

**10.4** Personal data may be made available to third parties only within legally permitted limits, for the purpose and scope necessary for the proper performance of the contract. The Seller may entrust the processing of the Buyer's personal data to third parties in order to perform activities related to the performance of the contract as well as for purposes related to the pursuit of claims or protection against claims. These entities may include in particular: couriers, external consulting companies (including legal, auditing, tax, marketing and accounting); external IT specialists; entities supporting the Seller in handling correspondence; entities cooperating with the Seller as part of sales services; entities from the PCC Group that implement some of the above services for the Seller.

**10.5** The Buyer has the right to:

- a) access his/her personal data;
- b) demanding the rectification and limitation of the processing of personal data;
- c) deletion of personal data (e.g. in the event that they were processed unlawfully);
- d) the transfer of personal data which it provided to the administrator and which are processed in an automated manner and the processing takes place on the basis of consent or under a contract, e.g. to another administrator;
- e) object to the processing of personal data based on the requirement of indispensability for purposes arising from legitimate interests pursued by the administrator or by a third party, in particular in the case of processing for marketing purposes;

f) bring a complaint to the authority competent for the protection of personal data.

**10.6** The Buyer's personal data may exceptionally be transferred to the Seller's partners processing it outside the European Economic Area (EEA), but only to the extent necessary, related to the provision of services by these partners to the Seller. The security of the Buyer's personal data is provided by protective measures, including standard contract clauses approved by the European Commission. The Buyer may obtain a copy of information on the security of personal data transferred to countries outside the EEA, in particular by contacting the Seller.

**10.7** Additional information on the rules of processing personal data by the Seller can be found on the website at <https://odo.pcc.pl/>

## **XI. Final provisions**

**11.1** The Buyer has no right to transfer its rights and obligations to third parties from the contract without the prior written consent of the Seller under pain of nullity.

**11.2** After the contract is concluded, all previous negotiations and correspondence between the parties expire.

**11.3** In the event of a discrepancy between the content of the contract and the content of the GTCS, the provisions of the contract prevail.

**11.4** All annexes to the contract constitute its integral part. In the event of conflict between the attachments and the contract, the provisions of the contract shall apply.

**11.5** All changes and additions to the contract require for their validity a written form in the form of a bilaterally agreed annex, unless another form results from the content of the contract or GTCS.

**11.6** The seller is entitled to set off mutual debts on the basis of a unilateral statement of intent also before the expiry of deadlines for payment of claims of both parties.

**11.7** Unless the parties agree otherwise in the contract, the contract is drawn up in the Polish language, and only Polish is valid for its interpretation, and copies of the contract drawn up in a foreign language only serve as its translation.