

# GENERAL CONDITIONS OF PURCHASE OF RAW MATERIALS AND GOODS INTENDED FOR FURTHER RESALE (hereinafter referred to as GCP RMG)

adopted by Resolution of the Management Board of "LOTOS Asphalt" Sp. z o.o. with its seat in Gdansk,  
no. 04-04/07/2019  
of 31.07.2019

## § 1

### General requirements

1. These GCP RMG shall apply to the purchase of raw materials, intermediates, components for processing in the production process and goods for further resale.
2. Provisions different than those provided for in GCP RMG shall be null and void unless agreed in writing by the Parties.
3. Any other agreements on contract or order conditions made between the Parties in any other form than writing shall be replaced with these GCP RMG, which shall prevail over such agreements.

## § 2

### Definitions

The terms below shall have the following meanings:

<b>Goods</b>	means raw materials, intermediates, components to be processed in the production process or products to be further resold, sold by the Supplier to LOTOS Asphalt;
<b>LOTOS Asphalt</b>	shall mean "LOTOS Asphalt" Sp. z o.o. with its seat in Gdansk;
<b>Supplier</b>	means an entity selling Goods to LOTOS Asphalt;
<b>Delivery</b>	shall mean the delivery of Goods to LOTOS Asphalt at the Place of Delivery in a manner enabling their collection by LOTOS Asphalt, in accordance with the Order and the provisions of these GCP RMG;
<b>Place of delivery</b>	means a place indicated by LOTOS Asphalt in a contract or in an order to which the Supplier should deliver the Goods;
<b>Place of delivery</b>	means a place indicated by LOTOS Asphalt in an order, to which the Supplier should deliver the Goods;
<b>Delivery document</b>	shall mean a document confirming the delivery (depending on the mean of transport: delivery note, CMR, CIM, internal receipt);
<b>Business days</b>	shall mean all days, excluding Sundays and public holidays in Poland;
<b>Packed goods</b>	shall mean Goods put in unit packages of any kind (e.g. in bags, canisters, barrels, Mauser containers), whose nominal quantity, equal for the entire batch, is measured without participation of the buyer and may not be changed without damaging the packaging.

## § 3

### **Requests for quotation, Orders**

1. A request for quotation from LOTOS Asphalt shall include an inquiry about the possibility of delivering the Goods in a specified range and quantity within a specified period, as well as an inquiry about the price. LOTOS Asphalt shall indicate in the RFQ the deadline to which the Supplier should respond to it.
2. In response to the request for quotation, the Supplier shall send to LOTOS Asphalt a Material Safety Data Sheet of the Goods and their technical specification in addition to the proposed commercial terms and conditions. If the content of the documents referred to in the preceding sentence changes, the Supplier shall immediately provide LOTOS Asphalt with their current copies.
3. Unless agreed otherwise based on § 1 section 2 of GCP RMG, LOTOS Asphalt shall send orders to the Supplier by e-mail no later than 2 business days before the delivery date.
4. The Supplier shall confirm the receipt of the order no later than at 3 pm on the day of receipt of the order. If the Order is not accepted to any extent, the Supplier shall be obliged to inform LOTOS Asphalt about its refusal to accept the Order or about the scope in which it cannot be fulfilled.
5. An Order placed on a business day after 1 p.m., on Saturday or on a statutory holiday shall be considered to be received by the Supplier on the next business day.
6. LOTOS Asphalt may change the quantity of the Goods indicated in the Order or the Place of delivery within 2 days before the planned delivery date.
7. The Supplier is obliged to inform LOTOS Asphalt about the exact quantity of the Goods loaded on each mean of transport no later than on the day following the day of loading the Goods, if the quantity is different than the quantity indicated in the order submitted by LOTOS Asphalt.

### **§ 4**

#### **Certificates, declarations of conformity**

1. The Goods delivered to LOTOS Asphalt must meet the quality requirements specified in the provisions of the applicable law, the order and the GCP RMG, as well as be admitted to trading and use in Poland and hold a valid quality certificate (in particular approvals, attestations and certificates) as required by the Polish law.
2. The documents referred to in section 1 shall be delivered to LOTOS Asphalt with every delivery and upon every request of LOTOS Asphalt no later than 3 days from the date of the request. The quality certificate shall confirm the compliance of the Goods with quality requirements and shall be drawn up in Polish or translated into Polish from the original document issued by the manufacturer.
3. The Supplier's failure to submit the documents referred to in this paragraph at the delivery of the Goods, shall make the Recipient entitled to refuse to accept it.

### **§ 5**

#### **Delivery**

1. Unless agreed otherwise, deliveries shall be made at the Supplier's cost on DDP Place of delivery terms (Incoterms 2010).
2. The ownership of the Goods shall be transferred at the moment of their collection by LOTOS Asphalt. The risk of accidental loss or damage to the goods shall pass at the moment resulting from the agreed delivery terms, and in case of any doubts, at the moment indicated in the first sentence.
3. In case of a delay in the delivery exceeding three days, the Supplier shall be obliged to pay LOTOS Asphalt for each subsequent day of the delay a contractual penalty in the amount of 5% of the net value of the given Order, but no more than 30% of the net value of that Order, payable within 7 days from the delivery of the debit note. Payment of contractual penalties for the delay does not release the Supplier from the obligation to deliver the Goods, unless the Parties agree otherwise.
4. If the amount of the damage exceeds the amount of the reserved contractual penalties, LOTOS Asphalt shall have the right to claim compensation in its full amount under general rules.

5. The Goods shall be collected from the place of delivery by a person authorised by LOTOS Asphalt, which shall preliminarily check the correctness of the quantities of the Goods, their packaging, the correctness and completeness of the documentation submitted according to § 4 GCP RMG and approve Delivery documents in two copies.
6. The acceptance of the Goods does not include the inspection of the quality of the Goods, unless the Parties agree otherwise, and a representative of the Supplier entitled to represent the Supplier shall be present during the acceptance activities.
7. Preliminary quantitative acceptance of the Goods by LOTOS Asphalt does not exclude warranty rights.
8. At each request of LOTOS Asphalt, the Supplier shall submit samples of the Goods sold to LOTOS Asphalt to the person or independent external entity indicated by LOTOS Asphalt.
9. In every case when the assessment shows an inconsistency of the Goods with the quality requirements, the inspection costs (of tests, samples delivery and collection and conduction of laboratory tests) shall be covered by the Supplier. Payment shall be made after LOTOS Asphalt documents the costs in question, within seven days of the Supplier's delivery of the accounting document. In every case the assessment does not show inconsistencies of the Goods with the quality requirements, the inspection costs (of tests, samples delivery and collection and conduction of laboratory tests) shall be covered by the LOTOS Asphalt.
10. The Supplier shall inform LOTOS Asphalt about any changes to the source of origin of the delivered Goods immediately and each time before the planned delivery.
11. The Supplier is obliged to indicate the LOTOS Asphalt's Order number on the Delivery document and on the quality certificate.
12. If LOTOS Asphalt refuses to accept the Goods, the Supplier shall immediately remove the Goods from the premises of LOTOS Asphalt. The Supplier's failure to collect the Goods shall entitle LOTOS Asphalt to require that the Supplier reimburses the costs of storing the Goods or to have a third party store the Goods at the risk and cost of the Supplier, an in case of perishable or dangerous Good - to dispose of them at the cost and risk of the Supplier.

## **§ 6 Packaging**

1. The provisions of this paragraph shall apply to packaged Goods.
2. The Supplier shall pack the Goods in a way making it possible to verify the delivery's assortment and quantity compliance with the Order and to verify the Delivery documents without damaging the packaging.
3. The Supplier is obliged to pack the Goods delivered in a way protecting them against damage during transportation, unloading and storing, taking into consideration the specificity of the Goods delivered, as well as allowing for their safe unloading; and to adjust the packaging to the requirements set by applicable legal regulations.
4. Packed Goods shall be accepted based on weight bills or other documents confirming the quantity measured on the Supplier's legalised scales, with the reservation that LOTOS Asphalt shall have the right to verify the weight of the Goods.
5. LOTOS Asphalt has the right to refuse to collect a delivery if it does not comply with any of the requirements set in this paragraph. In such a case, the delivery shall be deemed as non-executed due to the Supplier's fault, while LOTOS Asphalt shall be entitled to demand payment of contractual penalties in the amount of 1,000.00 PLN for each separate infringement. Provisions of § 5 section 4 of the GCP RMG shall apply.
6. In the case of deliveries of raw materials purchased in bulk, LOTOS Asphalt reserves the right to refuse to accept deliveries in packages of less than 750 kg. The allowed tonnage of a Big Bag is between 750 and 1000 kg.
7. If the Goods are delivered in a manner preventing safe unloading of Big Bags, in particular if the packaging tilts or slips off the pallet, LOTOS Asphalt shall have the right to refuse to accept

the Goods due to the Supplier's fault, recognising the delivery as defective, and the Supplier is obliged to collect the defective batch of Goods at its own expense and deliver the Goods in accordance with the provisions of the GCP RMG. Provisions of § 5 section 11 of the GCP RMG shall apply accordingly.

## **§ 7 Invoicing**

1. Subject to the provisions of section 2 below, The Supplier shall issue an invoice after each delivery no later than within 7 (seven) days from the delivery date. If the acceptance activities related to a given Delivery last longer than one day, the last day of such activities shall be considered as the delivery date.
2. The Supplier shall issue invoices on the basis of Delivery documents confirmed by LOTOS Asphalt.
3. Each time, LOTOS Asphalt shall verify the compliance of the issued invoice with the quantity of the Goods delivered and the prices established.
4. In case of an intra-community transaction, the Supplier shall issue and submit to LOTOS Asphalt all documents required for correct documentation and settlement of the Goods as part of the intra-community transaction (goods import). In case of infringements to the above conditions, all negative financial consequences borne by LOTOS Asphalt shall be covered by the Supplier.
5. Pursuant to the provisions of the Act of 11th of March 2004 on VAT, LOTOS Asphalt accepts sending invoices, corrective invoices, invoice duplicates and debit notes by electronic means (hereinafter referred to as the "invoices").
6. The Supplier is obliged to send invoices in the PDF format via e-mail. The Supplier shall ensure authenticity of origin, integrity of content and legibility of invoices referred to in Article 106m paragraphs 1-5 of the VAT Act of 11 March 2004.
7. Electronic invoices shall be sent to the following e-mail address: [faktura@lotosasfalt.pl](mailto:faktura@lotosasfalt.pl).
8. The moment deemed as the receipt of the invoice sent by the Supplier, shall be the moment LOTOS Asphalt receives an e-mail, which will be confirmed with a message sent from the e-mail server of LOTOS Asphalt.
9. LOTOS Asphalt reserves the right to withdraw its consent given in accordance with point 5 at any moment, which shall result in the loss of the right to send electronic invoices.
10. LOTOS Asphalt shall accept invoices sent in a paper form only if technical or formal obstacles shall make it impossible for the Supplier to send invoices by e-mail, about which LOTOS Asphalt shall be notified by the Supplier before sending of the paper invoices.
11. The Supplier shall send a corrective invoice within 7 days from the date of receiving LOTOS Asphalt's notice about an inconsistency between the invoice sent and the delivery made.
12. Payment of the Supplier's remuneration for the Goods transferred shall be made to the bank account of the Supplier indicated to LOTOS Asphalt in a written form (or in form of a scan of a letter, sent by e-mail) within the term established by the Parties, calculated from the day of receiving a correct, reliable and punctually issued invoice. The Supplier is obliged to quote the number of the order and indicate the person authorised on behalf of LOTOS Asphalt. In case of infringements to the aforementioned conditions, the Supplier shall bear all negative financial consequences resulting from the loss of LOTOS Asphalt's right to deduce VAT or infringements related to issuing of invoices, Art. 88, sect. 3a of the Act of the 11th of March 2004 on VAT. Lotos Asphalt shall not make any payments other than to a bank account established pursuant to this provision.
13. In case of any changes to the Supplier's bank account, the Supplier shall be obliged to immediately submit an appropriate notice to LOTOS Asphalt, which shall be null and void unless made in writing, concerning the new bank account number and stating since when the new account number shall be applicable and if the previously indicated account will be closed. If the account number indicated on the invoice shall be incorrect, the Supplier shall bear all the related costs and consequences.

14. All payments made by LOTOS Asphalt in respect of remuneration due to the Supplier may be made based on the rules of split-payment introduced by the Act of the 15th of December 2017 amending the VAT Act and certain other acts (Journal of Laws 2018, item 62)

## § 8 Complaints

1. A defect of the Goods shall be understood within the meaning of the Civil Code on warranty, and in particular as:
  - a) the Goods' non-compliance with quality parameters,
  - b) clamping of the Goods (to the extent that it is impossible to use them for production purposes)
  - c) faulty packaging of the Goods,
  - d) non-compliance within the scope of the Goods quantity,
  - e) other physical defects of the Goods (quality or quantity defects),
  - f) legal defects of the Goods.
2. If any quantity shortages of the Goods are found in the course of acceptance, the Supplier undertakes to supplement the Goods within two working days, however, for each day of delay in the Delivery of the full quantity resulting from the Order, Lotos Asphalt shall charge the Supplier with a contractual penalty amounting to 5% of the net value of a given Order. Provisions of § 5 section 4 of the GCP RMG shall apply. If surplus quantities of the Goods are determined, the Supplier shall be obliged to collect them at its own cost and risk, unless LOTOS Asphalt accepts the surplus amounts.
3. If any quality defects of the Goods are found in the course of acceptance, LOTOS Asphalt is entitled to refuse to accept the Goods in whole or in part. The Supplier shall remove at its expense the Goods that Lotos Asphalt has not collected and shall deliver defect free Goods within 2 business days, however, for each day of delay in the Delivery in relation to the Order, Lotos Asphalt shall charge the Supplier with a contractual penalty of 5% of the net value of the Order. Provisions of § 5 section 4 of the GCP RMG shall apply.
4. In the cases indicated in sections 2 and 3, a complaint report shall be drawn up containing a description of the defect recognised by the Supplier. The person making the delivery on behalf of the Supplier's shall be entitled to make declarations of will with respect to the recognition of the defect.
5. In case defects of the Goods are found after the collection is made, LOTOS Asphalt may make a complaint to the Supplier within 14 days from the date of founding the defect.
6. Complaints shall be submitted in writing or in a documented form, including e-mails and faxes. At the Supplier's request, LOTOS Asphalt shall send the delivery note/CMR number, quality certificates, photos of the Goods or a report from the Goods examination.
7. In case of a complaint, LOTOS Asphalt is obliged to secure the faulty batch of the Goods, if required, in order to allow the representative of the Supplier or a third party to evaluate them, draw up a weighing report or a report on no Goods quantity inconsistencies.
8. The Supplier shall respond to the complaint of LOTOS Asphalt within 3 business days in form described in point 6. Failure to respond to a complaint within this period shall mean that the complaint has been accepted in its full extent.
9. If the complaint of LOTOS Asphalt proves to be justified, the Delivery is deemed as non-performed to the extent covered by the complaint. In such a case, LOTOS Asphalt shall be entitled in particular to demand payment of contractual penalties for delay of the Delivery pursuant to the rules specified in § 5 sections 3 and 4 of the GCP RMG, calculated up to the date of delivery of defect free Goods in a sufficient quantity, and the Supplier shall be obliged to deliver the defect free Goods and remove the defective Goods from the premises of LOTOS Asphalt within 2 business days from the date of the acceptance of the complaint. In case of a delay in the removal of the defective Goods in relation to the deadline specified in the preceding sentence, LOTOS Asphalt

- shall charge the Supplier with a contractual penalty of 5% of the net value of the given Order for each subsequent day of the delay.
10. If the Supplier fails to deliver defect-free Goods in accordance with sections 2, 3 or 9 within 3 business days from the date of preparation of the complaint report referred to in section 4 above or if the complaint is deemed justified, or if the complaint is unjustifiably rejected, LOTOS Asphalt shall have the right to withdraw from the given order in whole or in part - at its own discretion. A statement on withdrawal from the contract does not have to be preceded with an indication of an additional term for the delivery performance and may be submitted within 14 days from the day on which the reason for the withdrawal occurred.
  11. The Supplier is obliged to cover all the costs related to a justified complaint, including the costs of returning faulty Goods, costs of re-delivery and costs related to storing, securing or disposing of the faulty Goods. The Supplier shall pay those receivables to LOTOS Asphalt after LOTOS Asphalt furnishes evidence of their amount within 7 days from the date of receiving an accounting document.
  12. LOTOS Asphalt shall be obliged to cover all the costs related to an unjustified complaint, once they have been documented by the Supplier, within 7 days from the date of receipt of the accounting document.
  13. Whenever the provisions of this paragraph impose on the Supplier an obligation to remove the defective Goods, provisions of § 5 section 12 of the GCP RMG shall apply accordingly.
  14. During the complaint procedure, LOTOS Asphalt may withhold all payments to the Supplier; if the complaint proves to be unfounded, LOTOS Asphalt shall pay the amounts due, together with interest.
  15. LOTOS Asphalt may demand that a representative of the Supplier is present during activities related to the complaint procedure. Failure of the Supplier's representative to appear at the activities referred to in the preceding sentence shall mean that the Supplier accepts the results and conclusions of such activities, provided that LOTOS Asphalt has informed the Supplier of the date of the activities at least three days in advance.

## **§ 9**

### **Force majeure**

1. None of the Parties shall be liable for infringements of its obligations if such an infringement is caused by a force majeure event, that is an accidental or natural event which cannot be avoided, which means that it may not be prevented, both in a form of catastrophic forces of the nature and non-typical social events in various forms of distortions of the communal life. The delivery date shall be in such a case appropriately postponed.
2. Each of the Parties shall be obliged to inform the other Party about occurrence of force majeure circumstances immediately, under the pain of loss of the right to invoke such circumstances.

## **§ 10**

### **Environmental protection**

1. The Supplier is obliged to comply with applicable legal regulations concerning widely understood environmental protection, especially within the scope of obtaining required permits, providing notifications and submitting information as well as respecting limitations of use of natural environment, including those resulting from an appropriate waste management. In addition, the Supplier is obliged to carry out its activities in a sustainable way and to take actions limiting the negative influence of its activity on the natural environment.
2. Goods delivered by the Supplier must be in compliance with the provisions of the Resolution of the Minister of Health of 20.04.2012 on labelling of packaging of dangerous substances, dangerous mixtures and certain mixtures (Journal of Laws of 2015, item 450, uniform text) and the Resolution of the Minister of Health of 10/08/2012 on the criteria and method of classification of chemical substances and their mixtures (Journal of Laws of 2015, item 208, uniform text).

3. The Supplier also undertakes to strictly comply with the provisions of the Act of 13 June 2013 on management of packaging and packaging waste (Journal of Laws of 2013, item 888, as amended).
4. The entity releasing packed products is obliged to limit the amount and the negative impact on the environment of the substances used to produce their packaging and the generated waste packaging in such a way that:
  - a) the packaging does not contain harmful substances in amounts posing a threat to the product, to the environment and to human health,
  - b) the maximum sum of the contents of lead, cadmium, mercury and hexavalent chromium in the packaging does not exceed 100 mg/kg.
5. The Supplier introducing packaging is also obliged to limit the amount and negative influence on the environment of the substances used to produce the packaging and to generate waste packaging in such a way that the volume and weight of the packaging is limited as much as it is required for it to still serve the packaging's function and to provide product safety, taking into account the user's expectations.
6. The acceptance of the provisions set in point 4 and 5 of this paragraph by the Supplier shall be construed as an unambiguous confirmation of compliance with the requirements.

## **§ 11**

### **Health and safety**

1. The Supplier undertakes to implement and apply Regulation (EC) No. 1807/2006 of the European Parliament and of the Council of 18/12/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No. 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC and to apply applicable Polish law concerning chemicals. The Supplier is obliged to ensure efficient and reliable flow of information on threats upwards and downwards the delivery chain and to immediately update appropriate documentation.
2. The Supplier undertakes to implement EU Commission Regulation No. 2015/830 of 28 May 2015 amending Regulation No. 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), as amended, and to apply the applicable Polish law concerning chemicals. This shall mean, among others, the Supplier's obligation to provide efficient and reliable flow of information on threats upwards and downwards the delivery chain, to immediately update appropriate documentation and to send it electronically to LOTOS Asphalt.
3. The Supplier is obliged to provide LOTOS Asphalt with any information concerning the Goods, which can affect the method of their use, quality, characteristics, safety or environmental protection.
4. The Supplier undertakes to provide the full REACH registration number for a substance/mixture components applicable to the Goods.
5. The Supplier shall ensure that transportation of the Goods and their unloading shall comply with the requirements of the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) done at Geneva or the Regulation concerning the International Carriage of Dangerous Goods by Rail (RID) constituting Annex no. C to the Convention concerning International Carriage by Rail (COTIF) drawn up in Bern.
6. The Supplier shall ensure that drivers operating the vehicles hold required authorisations, medical tests and are trained within the scope of safety regulations related to the transported dangerous materials, which are required by appropriate law in case of deliveries of dangerous materials, acc. to ADR.

7. The Supplier undertakes to register and report accidents at work, occupational diseases and near misses among the staff during performance of obligations to the benefit of LOTOS Asphalt. Such a report must be made within a term no longer than 10 days from the day of obtaining information on such an incident.
8. The Supplier is obliged to provide a Safety Data Sheet or an information sheet (in case of a substance/mixture components for which the SDS is not required) in the Polish language before the first delivery or after making any changes to the Safety Data Sheet, by e-mail or mail to LOTOS Asphalt's address.
9. The Safety Data Sheet delivered before the first delivery shall be compliant with the provisions of the regulations indicated in point 1.
10. If an action or negligence of the Supplier, its employees or persons performing work on behalf of the Supplier, regardless of the legal basis for their cooperation, infringes the occupational health and safety regulations, including fire safety regulations or other regulations and requirements concerning safety applicable on the LOTOS Asphalt's premises, LOTOS Asphalt shall be entitled to charge the Supplier with a contractual penalty of 1,000.00 PLN (in words: one thousand PLN) for every such action or negligence. If the amount of the damage exceeds the amount of the penalties, LOTOS Asphalt is entitled to claim compensation under general rules and up to the full amount of the damage.
11. In addition, in case the aforementioned event, LOTOS Asphalt shall have the right to make an unilateral decision on suspension of performance of obligations in their entirety or part or by specific persons on the premises of LOTOS Asphalt, until it is confirmed that the infringement has been removed. Suspension of the obligation performance does not affect the deadlines of the deliveries.
12. Persons authorised to carry out inspections regarding the aforementioned requirements, as well as to suspend the performance of obligations in their entirety or part or by indicated persons, are persons supervising works on behalf of LOTOS Asphalt or LOTOS Asphalt Health and Safety Service or employees of entities providing security services on the premises of LOTOS Asphalt.
13. In every case it is found that the Supplier does not comply with the occupational, fire or physical safety regulations applicable on the LOTOS Asphalt's premises, the LOTOS Asphalt Health and Safety Service or an entity providing security services on the GL S.A. premises shall apply sanctions referred to in "*Classification of violations of employees of external companies applicable on the premises of Grupa LOTOS S.A.*". If the Supplier employees' right to enter the LOTOS Asphalt premises are revoked, all consequences shall be borne by the Supplier.
14. The Supplier is obliged to comply with the current rules and standards of conduct applicable at LOTOS Asphalt's premises, especially those included in the "*Guide on Rules of Conduct at the premises of Grupa LOTOS S.A.*" and other documents concerning occupational safety and fire safety made available to or submitted to the person authorised by the Supplier or the authorised contact person of the Supplier. Any changes to the documents concerning rules and standards applicable at LOTOS Asphalt premises shall enter into force on the day of their submission to the contact person. The Supplier is obliged to ensure that the rules and standards applicable at LOTOS Asphalt premises are distributed among all persons providing services in its name at the aforementioned premises and followed by them.
15. To the maximum extent allowed by the law, the Supplier hereby releases LOTOS Asphalt from liability resulting from:
  - a) death, disease or injury of the Supplier, its employees or other persons, whose services the Supplier uses to perform the obligations towards LOTOS Asphalt and to whom the Supplier confers performance of those obligations,
  - b) damage or loss of property belonging to the Supplier, its employees or other persons, whose services the Supplier uses to perform the obligations towards LOTOS Asphalt and to whom the Supplier confers performance of those obligations,
  - c) resulting from or related to the performance of obligations to the benefit of LOTOS Asphalt.

The Supplier hereby undertakes to protect, indemnify and hold LOTOS Asphalt harmless from

LOTOS Asphalt Sp. z o.o. with its seat in Gdansk, post code 80-718, at ul. Elbląska 135, entered into the Register of Entrepreneurs kept by the District Court in Gdansk, VIIIth Commercial Division of the National Court Register (KRS) under KRS No. 0000204527, with a share capital of 31.515.000 PLN, Tax Identification Number 583-285-03-90, Product, Packaging and Waste Management Database number: BDO 000019759.

all obligations, damages and claims resulting from the events mentioned in the previous sentence and to cover all the costs incurred by LOTOS Asphalt in relation to the defence against such a liability, regardless of the type of proceedings carried out.

## **§ 12**

### **Applicable law and resolution of disputes**

1. In all matters not settled in these GCP RMG, appropriate provisions of the Polish law shall apply.
2. In case no agreement is reached, disputes resulting from or related to the delivery shall be solved by a common court having jurisdiction over the LOTOS Asphalt's seat.
3. Provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to deliveries.

## **§ 13**

### **Confidentiality clause**

1. The Supplier shall keep secret and not disclose to other persons any information concerning LOTOS Asphalt that has not been publicly disclosed and that has been obtained by the Supplier in relation to the delivery, including financial, technical, technological, legal and organisational data, with the exception of disclosure required by an appropriate national authority based on mandatory laws. The Supplier acknowledges that the information constitutes trade secret of LOTOS Asphalt within the meaning of Art. 11 of the Act of 16/04/1993 on combating unfair competition. The obligation shall remain valid for five years after performance of the delivery.
2. If it is found that the Supplier infringed the confidentiality obligation, LOTOS Asphalt shall be entitled to demand that the Supplier pays a contractual penalty in the amount of 10,000 PLN for each infringement. It does not exclude the right of LOTOS Asphalt to claim supplementary compensation.

## **§ 14**

### **Personal data protection**

1. For the needs of performance of this Order, the Parties, as independent data controllers, shall mutually exchange personal data of their representatives or agents, indicated in the Order, and other persons, according to the needs resulting from provisions of the Order, covering the following data categories: identification data (among others: first and last name, position), contact details (e.g. business e-mail address, business phone number, workplace).
2. Parties undertake to inform persons indicated in point 1 within one month after obtaining their personal data or at the first contact with a given data subject, of the need to share their data for the needs of the Order performance, including the purpose and scope of data sharing indicated in this clause and the source of the personal data.
3. Each of the Parties undertakes to protect personal data by providing appropriate technical and organisational measures required by applicable data protection regulations as well as shall be fully liable for damages made due to processing of personal data.
4. The data controller within the meaning of Art. 4(7) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation – hereinafter referred to as GDPR) of the data submitted to LOTOS Asphalt for the needs of conclusion and execution of the Order is LOTOS Asphalt, with its seat at: ul. Elbląska 135, 80-718 Gdańsk.
5. The data controller may be contacted by e-mail, [odo@lotosasfalt.pl](mailto:odo@lotosasfalt.pl), or by mail to the above mentioned address, send with a note saying "Representative for data protection".
6. The collected personal data shall be processed for purposes related to conclusion and performance of the Order, its processing and any potential exercise of or opposition to claims

- resulting from it, as well as in relation with performance of legal obligations of LOTOS Asphalt Sp. z o.o.
7. The legal basis for processing of the personal data by LOTOS Asphalt Sp. z o.o. for the purposes indicated above is:
    - a) fulfilling legal obligations of LOTOS Asphalt Sp. z o.o. pursuant to Art. 6(1c) of GDPR related to, among others, tax and accounting regulations,
    - b) legal interest of LOTOS Asphalt Sp. z o.o. pursuant to Art. 6 (1f) of GDPR.
  8. The personal data received from the other Party may be transferred to the following categories of recipients:
    - a) to other data processors processing the personal at the LOTOS Asphalt Sp. z o.o. request, including processors handling IT systems used for the needs of the Order or providing accounting and archiving services,
    - b) entities providing services to the given Party, including courier and postal companies (in relation to the need to make notifications referred in the Order), legal and financial advisers and auditors of the Parties (in relation to provision of advisory services at the conclusion, performance and enforcement of claims resulting from the Order),whereby such processors shall process the data based on an agreement concluded with LOTOS Asphalt Sp. zo.o. and solely according to its instructions. Data may be also made available to entities, including tax administration authorities, authorised for that purpose based on law.
  9. The data shall be processed during the performance of the Order, and after its termination, during the period related to the expiry of claims related to the Order as well as the period provided for in legal regulations, including accounting regulations and regulations concerning financial reporting.
  10. Each person whose data are exchanged between the Parties in relation to conclusion and performance of the Order shall have the right to access their data as well as the right to demand that they are rectified or deleted or their processing limited and the right to object to the data processing due to that person's special situation in case LOTOS Asphalt Sp. z o.o. processes the data based on its legitimate interest. Such an objection may be sent at any time to the following e-mail address: [odo@lotosasfalt.pl](mailto:odo@lotosasfalt.pl) or in by mail to the address: LOTOS Asphalt Sp. z o.o. ul. Elbląska 135, 80718 Gdańsk with a note stating "Representative for data protection".
  11. Each person shall have also the right to lodge a complaint to the President of the Office of Personal Data Protection.
  12. The personal data will not be subjected to profiling nor automated decision-making.

## **§ 15**

### **Ethical clauses**

1. LOTOS Asphalt, as a company of LOTOS Capital Group, carries out its activity with a sense of responsibility for consequences of its actions and applies uniform standards concerning ethical assessment of actions of its employees and third persons, respect for human rights, respect for employee rights and respect for natural environment.
2. LOTOS Asphalt, as a company of LOTOS Capital Group, cares about respect for human rights within the entire chain of values represented in the business activity it carries out. In a spirit of social responsibility for the entire collective life and care for common good, LOTOS Asphalt, as a company of LOTOS Capital Group, takes actions related to compliance with rights and laws in the activity conducted, including international rules taking into account the concept of Corporate Social Responsibility (CSR). The company takes actions related to shaping appropriate economic and social relations.
3. LOTOS Asphalt, as a company of LOTOS Capital Group, in its actions aims at creating a working environment based on mutual respect and tolerance. The company ensures protection of personal data and discretion for all persons which decide to report a suspicion of an infringement of rules applicable in LOTOS Capital Group, referred to in the "Ethical code of the

LOTOS Capital Group” or other regulations related to the Corporate Social Responsibility concept implemented and applied by Grupa Kapitałowa LOTOS.

4. The “Ethical code of the LOTOS Capital Group” can be read at [www.odpowiedzialny.lotos.pl](http://www.odpowiedzialny.lotos.pl).
5. The Supplier is obliged to maintain due diligence within the scope required from the business activity conducted by it and to take actions aiming at avoiding conflicts of interests.
6. If there is a suspicion of the risk of conflict of interests, the Supplier shall immediately inform LOTOS Asphalt in writing of such a suspicion with a justification and shall propose any required actions to be taken in order to avoid the conflict, taking the account the widely-understood interest of LOTOS Asphalt and business ethics it applies.
7. The Supplier is obliged to apply legal regulations within the scope of employment in its business activity, including and in particular the Labour Code and implementing acts issued on its basis.
6. The Supplier is obliged to take social issues into consideration in its business activity and to aim at maximisation of integration of social, environmental, ethical and human rights values with its own activity as well as the activity of other interested parties and the society as a whole.
7. The Supplier is obliged to comply with applicable legal regulations concerning widely understood environmental protection, especially within the scope of obtaining required permits, providing notifications and submitting information as well as respecting limitations of use of natural environment, including those resulting from an appropriate waste management. In addition, the Supplier is obliged to carry out its activities in a sustainable way and to take actions limiting the negative influence of its activity on the natural environment.
8. LOTOS Asphalt reserves the right to carry out audits on the Supplier premises within the scope of the parties’ cooperation. Such activities are aimed at assessing compliance with requirements referred to in the contractual documents and other documents delivered in order to be applied, as well as appropriate legal regulations and standards applicable to the deliveries.

## **§ 16**

### **Final provisions**

1. The Supplier is not entitled to transfer or encumber any rights to which it is entitled towards LOTOS Asphalt in relation to making deliveries without prior consent of LOTOS Asphalt which shall be null and void unless made in writing.
2. The Goods being the subject of the delivery shall not be used for industrial heating nor for heating of households.
3. LOTOS Asphalt shall be entitled to change the provisions of GCP unilaterally pursuant to the requirements of Art. 384 of the Civil Code. The fulfilment of the orders shall be each time governed by the GCP RMG applicable at the moment of the delivery.
4. These GCP RMG shall apply from 31.07.2019.