# E.G.O. Polska Sp. z o.o. General Terms and Conditions of Purchase

### 1. Scope

- 1.1 These General Terms and Conditions of Purchase (hereinafter referred to as "OWZ") stipulate the rules of execution of the whole trade (deliveries and services) performed by E.G.O. POLSKA sp. z o.o. with its registered office in Łódź, National Court Register [KRS] no 0000235387 (hereinafter referred to as "EGO") in relations with the suppliers (hereinafter referred to as "Supplier"). If the Supplier is served with OWZ or provided with access to OWZ in electronic format before making the contract, they shall be applicable also if, when making a contract with the Supplier which include any other provisions that differ or deviate from OWZ shall not be recognized by EGO, unless EGO gives its explicit written consent for application thereof. Acceptance of deliveries or services or payment shall not be interpreted as consent for the Supplier's contract template being binding.
- 1.2 OWZ shall apply only with respect to entrepreneurs.
- 1.3 References to "text form", in opposition to the notion of "written form" understood in relation to non-electronic documents containing a handwritten signature [as defined under Art. 78 Polish Civil Code], shall be understood in relation both to documents containing text signs in non-electronic form (including fax) that may, but need not necessarily contain a handwritten signature, and to documents in electronic form (inter alia e-mails).

### 2. Conclusion of Contract

- 2.1 Offers and quotations prepared and issued by the Supplier shall be free of charge and without commitment on EGO's part.
- 2.2. EGO's order shall be binding upon EGO only if it is confirmed in text form by the Supplier within a time period of two weeks at the latest.
- 2.3 If the confirmation of order deviates from the order, especially as regards prices or delivery periods, the Supplier must inform EGO thereof separately. Such deviations shall only become an integral part of the contract if confirmed by EGO in text form.
- 2.4 If, upon conclusion of the contract, errors on EGO's part occur through no fault of EGO, e.g. on account of transmission errors, misunderstandings etc., any claims for compensation of damages asserted against EGO shall be excluded.
- 2.5 Up until completion of execution EGO shall have the right to demand modifications regarding condition or quality, delivery or delivery period of the ordered item and/or the ordered service, unless such cannot be reasonably expected of the Supplier.

### 3. Technical Modifications, Changes in Production

- 3.1 Following prior information to the Supplier, EGO shall have the right to change the specifications and request that the Supplier technically adapts the delivery items accordingly. If changes to the delivery items caused on EGO's behalf result in any additional costs relating to the unit price or to one-time costs, such costs shall be borne by EGO, if EGO has agreed to this beforehand in text form. If the modification caused on EGO's behalf results in cost reductions, the unit price shall be reduced accordingly to EGO's benefit. In each case, the Supplier shall inform EGO immediately of any changes in costs.
- 3.2 Any changes in production, including but not limited to changes in tools, use of new production methods or change or relocation of production sites, changes of the material used as well as changes with regard to sub-suppliers, shall only be permitted with EGO's previous consent in text form. Notifications must be made by PCN (Product Change Notification) sent to EGO in writing.

## 4. Framework Orders, Call-offs

- 4.1 With framework orders or standing orders the respective quantities and types to be delivered shall be notified by EGO by individual call-offs. Unless otherwise agreed, such call-offs shall be binding unless the Supplier objects to them in text form within a period of 3 working days from receipt of the call-off.
- 4.2 If the Supplier is not in a position to comply with the call-off times the provision laid down in item 5.2 hereof shall also apply.

## 5. Due Dates and Default

5.1 Agreed dates and deadlines shall be binding and must be strictly complied with. Receipt of the delivery item and/or complete execution of the service at the agreed place of performance or the place of performance stipulated by EGO shall be authoritative for this.

- 5.2 As soon as it becomes apparent to the Supplier that deliveries or services might be delayed, the Supplier must immediately inform EGO thereof in text form and jointly agree a new date with EGO. The binding effect of the agreed date shall not be affected thereby. Any extra costs incurred thereby shall be borne by the Supplier.
- 5.3 If deliveries or services are performed prior to the stipulated delivery date, EGO shall have the right to reject such deliveries or services. Furthermore, partial deliveries and partial services may also be rejected by EGO.
- 5.4 In case of default of the Supplier EGO shall be entitled to claim a contractual penalty of 0.5% of the order value for each commencing week of the delay, however not exceeding 5% of the order value. Such contractual penalty may be asserted by EGO until full payment has been made for the item/service which was delivered late. The contractual penalty shall be offset against the default damage to be compensated by the Supplier. Any claims for further damage shall not be excluded by the contractual penalty. All and any damage and costs incurred by the delay in delivery shall be compensated to EGO by the Supplier including but not limited to damage and costs caused by production downtime as well as additional purchases which may have become necessary. Any unconditional acceptance of delayed deliveries or services shall not constitute a waiver of any claims to which EGO may be entitled on account of the delayed delivery or service.
- 5.5 If the Supplier is in default and after an additional period has been set unless such can be waived in accordance with the law EGO shall have the right, at its discretion, to withdraw from the contract, either in whole or in part, and/or to claim damages. Any further claims under the law shall be unaffected thereby. If deadlines or service are repeatedly missed and if delivery or service is repeatedly inadequate EGO shall have the right to withdraw from the contract, either in whole or in part, also with respect to deliveries or services not yet due or not yet performed or arising out of framework orders or standing orders or from other agreements or contracts. Any further claims shall not be affected thereby.
- 5.6 If EGO is not able to accept the delivery or service due to circumstances which EGO cannot prevent despite taking reasonable care, the date of acceptance shall be postponed by the length of time the impediment continues. If, on account of these circumstances, acceptance is not possible for a time period exceeding 6 months, EGO shall be entitled to withdraw from the contract, either in whole or in part. In such case, the Supplier shall not be entitled to any damage claims.
- 6. Place of Performance, Passing of Risk, Spare Parts, Force Majeure
- 6.1 Place of performance for all deliveries and services of the Supplier shall be the place of performance stipulated by EGO.
- 6.2 Dispatch of each shipment shall be notified to EGO by dispatch note.
- 6.3 The risk of complete or partial loss, of damage or other deterioration of the delivery item shall pass to EGO at the time the item is handed over at the place of performance stipulated by EGO.
- 6.4 The place of performance is stipulated by EGO in the order.
- 6.5 The Supplier undertakes to supply EGO with spare parts at reasonable terms for the entire duration of the prospective technical use of the delivery items, and for at least 10 years after the end of the series production of EGO's products. If the Supplier intends to discontinue the production of a delivery item for EGO, including but not limited to spare parts, semi-finished products or raw material for EGO, the Supplier must inform EGO thereof in text form at least 12 months before such production is discontinued, so that a final purchase of such items can be agreed for the future time.
- 6.6 Force Majeure, labor disputes, disruptions in operations for which EGO bears no responsibility, civil disturbances, governmental measures and other events beyond EGO's control shall release EGO from the obligation to accept the delivery items and services punctually for the duration of such events. Should such events continue for a period of time that is not insignificant and lead to a reduction in EGO's requirements also as a result of procurement from another source which may have been necessary in the meantime EGO shall have the right to withdraw from the contract, either in whole or in part, up until the expiry of one month following the termination of the event. Any other rights EGO may have shall be unaffected thereby.



## 7. Prices, Payment, Cost Savings

- 7.1 The agreed prices shall be fixed prices and shall be inclusive of freight, packaging and other ancillary costs free to the place of performance designated by EGO. Unless otherwise agreed in text form, prices shall be DDP (delivered duty paid as per the currently applicable Incoterms). Any price increases, irrespective of the reason thereof, also in case of framework contracts or standing supply contracts, shall only be recognized by EGO if an express agreement has been concluded to this effect in text form.
- 7.2 Invoices shall be issued without delay after dispatch of the delivery items and/ or complete performance of the services. Invoices shall be issued as originals, separately for each order, specifying the order number; VAT shall be stated separately in the invoice. Any invoices that are not issued in due form shall be deemed as not issued. Only deliveries, services and invoices that are free from defects and that conform to the order shall oblige us to effect payment.
- 7.3 Unless otherwise agreed, payment shall be effected within 14 days upon receipt of the invoice with 3% discount or within 30 days with 2% discount or within 60 days net. The discount shall be deducted from the amount of the invoice including VAT. The terms shall start with the receipt of the invoice or, if the delivery item is received after the invoice, with the receipt of the goods, however, under no circumstances prior to the agreed delivery date.
- 7.4 Checks and bills of exchange shall be deemed as payment upon written consent of EGO.
- 7.5 Claims the Supplier may have against EGO may only be assigned with EGO's prior consent.
- 7.6 Any cost savings ensuing from the cooperation between EGO and the Supplier shall be divided equally between the parties. If the share of one party is significantly higher, the division shall be made in proportion to the shares contributed.

#### 8. Compliance with Legal Provisions, Substance Prohibition, Export, Customs

- 8.1 The Supplier shall ensure that all legal provisions, ordinances and other regulations relating to each delivery item shall be complied with including but not limited to all and any safety-related and environmental provisions. In particular, the provisions laid down in the EU directives shall be complied with in all deliveries.
- 8.2 For each individual delivery item the Supplier undertakes to comply in every respect with the requirements and obligations relating to substance prohibition in accordance with the respective legal provisions and regulations. This shall apply in particular to the requirements and obligations of the REACH Regulation EC No. 1907/2006, the RoHS Directive RL 2011/65 EU, as amended, including the respective amendments and supplements, and their transposition into national law by the EU member states. Upon EGO's request, the Supplier will provide EGO with written, product-specific declarations of conformity which shall also apply with respect to its customers and which EGO can pass on to its customers.
- 8.3. Over and above the legal provisions, none of the substances recorded in the E.G.O. Restricted Substances List may be deployed. The current version of this list is available at: <u>http://www.egoproducts.com/en/my-ego/supplier-platform/?eID=dam\_frontend\_push&docID=2936</u>
- 8.4 The Supplier shall be responsible for ensuring that the items delivered by the Supplier are not subject to any export restrictions. If such export restrictions come into consideration, the Supplier must expressly advise EGO thereof in text form before commencement of delivery.
- 8.5 On request, the Supplier shall provide EGO with certificates of origin, supplier's declarations, statistical goods numbers and/or references as well as additional documents/data which may be necessary to comply with export requirements.
- 8.6 Imported delivery items must be delivered duty paid. The Supplier undertakes to allow inspections by customs authorities, to submit all required declarations and information and to obtain all necessary official approvals at its expense.
- 8.7 In case of deliveries and services effected out of an EU country other than Poland the EU VAT identification number must be stated.
- 9. Compliance

The Supplier undertakes to comply with EGO's ethical business policy laid

down in EGO's Code of Conduct, the current version of which is available at: <u>http://www.egoproducts.com/en/my-ego/supplier-platform/?eID=dam\_fron-</u> tend\_push&docID=2435

### 10. Reduced Incoming Goods Inspection and Requirement to Give Notice of Defects

The Supplier shall only supply delivery items which have been continuously inspected and have been approved and shall therefore abstain from a detailed incoming goods inspection at EGO's site. EGO shall only be obliged to inspect the delivery items and give notice of defects as follows: upon receipt EGO will only inspect the identity and check for any external damage of the delivery items in transport. Subsequently, EGO will only inspect the delivery items within the framework of the ordinary course of business during their use in production. EGO shall notify any defects thus recognized as well as any apparent defects within a time period of 10 working days. The term shall be deemed to be complied with if the complaint is sent to the Supplier in text form on the last day of the term. In this respect, the Supplier shall waive the objection of delayed notification of defects.

#### 11. Material Defects and Defects of Title

- 11.1 The agreed specifications on the product condition or quality of the delivery items shall apply as a guarantee of quality and durability for the duration of the warranty period of 36 months.
- 11.2 The Supplier shall be responsible for ensuring that the items delivered and services provided comply with the provisions laid down by law and public authorities as to their sale and use and that they do not infringe any industrial property rights or any other third-party rights. The delivery items and services must comply with the respective state of the art applicable at the delivery date or foreseeable for the future as well as with other statutory provisions, technical test rules and accident prevention provisions. In particular, DIN standards and VDE [German Electrical Engineering Association] regulations as well as other standards and guidelines belonging to the state of the art must be complied with. The Supplier shall be responsible for the quality of the items delivered and services provided including the tests therefore required, in particular within the framework of the agreed specifications.
- 11.3 EGO shall be entitled to the statutory rights in the event of material defects and defects of title without restriction. EGO shall be entitled to select the type of subsequent performance (remedy of defects or replacement). The Supplier shall bear all and any expenses required for the purpose of remedy of defects or replacement. If the Supplier fails to comply with the request for remedy of defects or replacement within a reasonable time or if the Supplier fulfills the request only inadequately or if immediate remedy of defect is required for urgent reason EGO may have the defects remedied at the expense of the Supplier or remedy them themselves or make covering purchases at the expense of the Supplier.

If EGO demands that the Supplier delivers a defect-free product or remove the defect, the Supplier shall also disassemble the delivery item and subsequently assemble the defect-free delivery item. If the Supplier is not in a position to do so at reasonable expense or inconvenience or it is not in the position to do so for some other reasons, EGO shall do it at the Supplier's expense.

Alternatively, EGO may also make a statement on reducing the price for defective delivery items adequately or may, in the respective scope, withdraw from a contract and uphold the price, or demand that the price is repaid or the defective delivery item is removed at the Supplier's expense.

- 11.4 Unless otherwise agreed, any claims for material and defects of title may be made within 36 months following the passing of risk. Such period shall be extended by the period of remedy or replacement measures of the Supplier from the date of receipt of EGO's notification of defect until the Supplier states the completion of the measures or refuses further remedy or subsequent delivery.
- 11.5 If costs are incurred by EGO on account of defects pertaining to the item delivered or the service provided, including but not limited to transport, travelling, labor or material costs or costs of an incoming inspection exceeding the ordinary extent or for sorting measures, the Supplier shall refund these costs to EGO. The costs to be reimbursed by the Supplier shall also include costs of assembly and disassembly, recall costs and costs of production downtime (inclusive of line stoppage). The obligation to reimburse costs shall apply irrespective of whether such costs are incurred at EGO's site or at its customer's site.
- 11.6 If, even though the warranty period has expired, EGO remedy defects arising from a deficiency caused by the Supplier for EGO's customer free of charge or only for a share in the costs in order to avoid damage to EGO's image

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(goodwill) the Supplier undertakes to participate in the costs by assuming at least 50% of the costs incurred by EGO. In each individual case, a different rate may be agreed.

- 11.7 The Supplier shall ensure that the items delivered by the Supplier are traceable. If a defect is detected, it must be possible to trace it to a specific delivery in order to determine the time period regarding liability for defects and to be able to identify the total amount of the affected delivery items. If, in the event of a material defect and/or hazardous product liability, traceability is not possible the Supplier shall compensate EGO for each and any disadvantage EGO may have on account of this. If the current deadline for liability for material defects of a defective delivery item cannot be determined for lack of traceability the Supplier shall not be entitled to plead the statute of limitations unless the Supplier can prove that the time period for liability for material defects has definitely expired.
- 11.8 If claims for damages are asserted against EGO by one of EGO's customers on the grounds that the delivery items EGO purchased from the Supplier – whether built-in or not – are defective, and to the extent that notification of defects has been given within two weeks after occurrence of the defect and the defect did not become statute-barred more than three months ago, in EGO's relation with the Supplier and within the scope of mitigation of damage EGO shall be under no obligation to plead the objection of insufficient inspection or notification of defects or to plead statute of limitations against EGO's customer.

## 12. Product Liability and Quality Assurance

- 12.1 If EGO is held liable for claims in relation to liability for damage caused by hazardous product or other provisions for a product defect or if EGO otherwise suffer damage in connection with the delivery of a defective delivery item, including but not limited to damage on account of necessary recalls, upgrading, etc., upon first request the Supplier shall indemnify and hold EGO harmless from and against all and any damage if and to the extent that such damage has been caused by a defect in the item delivered by the Supplier. In such cases the Supplier shall bear all costs and expenses, including the costs which may be incurred by prosecuting the matter. The Supplier undertakes to take out, maintain and upon request substantiate to EGO sufficient product liability insurance, including hazardous product liability of a minimum coverage of EUR 5 million for each claim.
- 12.2. The Supplier shall apply and maintain a quality assurance system suitable as regards type and scope and in compliance with the state of the art and prepare and keep documentation on all relevant data for a minimum duration of 10 years. In the event of being held liable under hazardous product liability the Supplier shall be obliged to submit to EGO the respective documentation and records.
- 12.3 Subject to being given reasonable prior notice the Supplier shall grant EGO and its authorized agents (if applicable, accompanied by agents of EGO's customers) access to its premises as well as to the relevant documents and records at any time during normal business hours for the purpose of carrying out audits (system, process and product audits); during such visits the Supplier will provide an appropriately qualified employee to be of assistance and for answering questions and providing information.

### 13. Industrial Property Rights

- 13.1 The Supplier shall ensure that the items delivered or the services provided by the Supplier do not infringe any domestic or foreign industrial property rights and guarantees that EGO is completely free and authorized under industrial property law to use them and trade with them both domestically and abroad. In the event of EGO being held liable by third parties for an infringement of domestic or foreign industrial property rights relating to the items delivered or the services provided upon first request the Supplier shall indemnify and hold EGO harmless from and against all and any claims and damage incurred thereby. Such entitlement shall apply irrespective of any fault of the Supplier. Any further legal claims EGO may have for defects of title regarding the items delivered to EGO or regarding the services provided shall be unaffected thereby.
- 13.2 On request, the Supplier shall inform EGO of all and any industrial property rights it and/or its licenser holds in connection with the delivery item or the services provided. If the Supplier becomes aware of any infringement of industrial property rights it shall inform EGO thereof in text form without delay and without being specifically requested to do so.
- 13.3 If the delivered item or the service provided infringes any industrial property rights the Supplier undertakes, at its own discretion and at its own expense, to either modify the item delivered or the service provided in such a way that

EGO's use thereof does not infringe the property rights but so that the delivered item or the service provided complies with the contractual agreements, or to obtain the right of use and exploitation for EGO. If the Supplier fails to do so, the Supplier undertakes, at EGO's discretion, to take back the delivery item or the service provided against reimbursement of costs and/or to compensate EGO for all and any damage incurred.

### 14. Rights of Ownership

- 14.1 EGO shall retain title to all and any tools, molds, samples, models, profiles, drawings, standard specification sheets, artwork masters, gages and other records provided by EGO; these shall not be passed on to any third party nor used otherwise for the Supplier's own purposes without EGO's express consent. They shall be protected by the Supplier against unauthorized access or use and, unless otherwise agreed, must be returned in good condition together with the delivery at the latest in case of long-term supply contracts at the end of the supply relationship. The Supplier shall not be entitled to retain any copies thereof. There shall be no right of retention. Tooling owned by EGO must be marked as EGO's property. The Supplier must provide EGO with evidence of sufficient insurance coverage.
- 14.2 If tools, drawings or other manufacturing equipment are produced or prepared by the Supplier upon EGO's order and at EGO's expense, it shall be agreed that title to such items shall pass to EGO immediately after their production. If EGO only pays a share of the costs EGO shall acquire co-ownership in proportion to EGO's share in the costs. The Supplier shall have the revocable right to keep these items in safe custody for EGO free of charge. EGO shall be granted all and any copyrights to these items for EGO's sole usage. The Supplier shall not be entitled to use these items beyond the scope of the order without our consent. The Supplier shall be entitled and obliged to keep the items in safe custody, which right and obligation shall be revocable. The Supplier shall mark the items in such a manner that EGO's title to them shall also be documented vis-a-vis third parties. The Supplier shall have no right of retention relating to these items.
- 14.3 Reservation of title by the Supplier shall only apply if such refers to EGO's payment obligations for the respective delivery items for which the Supplier reserves title. Any extended or expanded reservation of title of the Supplier shall not apply.

## 15. Right of Use

- 15.1 With regard to all technical information, documents and data, software documentation, source codes, other works which arose under execution of the contract or within the scope of the execution of a contract or necessary for the contractual usage of the deliveries and services, EGO shall be granted a non-exclusive, irrevocable, worldwide, transferrable, sub-licensable license, which, in case of results within the meaning of the Act on Copyright and Related Rights, includes all fields of exploitation known when making the contract, and in particular:
- a) as regards the recording and reproducing the result producing copies of the result with use of a specific technique, including printing, reprographic technique, magnetic recording and digital technique and any other technique,
- b) as regards the trade of the original or copies in which the result is recorded placing on the market, lending or leasing the original or copies thereof,
- c) as regards the distribution of the result in any way other than the one specified above - public performance, exhibition, display, reproduction or broadcasting and rebroadcasting as well as public communication of the result in a way that everyone may have access to it, unrestricted as to space and time and
- d) to use and process in particular modification, reconfiguration or supplementation, duplicate, disseminate, separate or divide;
- to combine the result with other works or solutions or to divide the result in the course of the production process,
- f) to introduce the result or solutions containing this result or its parts to the production and then to the sale.
- 15.2 This license includes the right to dispose and to the use of development of the result.
- 15.3 The Supplier's remuneration includes the remuneration for granting the said license in case of results within the meaning of the Act on Copyright and Related Rights in all fields of exploitation thereunder.
- 15.4 The license shall be granted for the period of five years and during this period



cannot be revoked. Thereafter it shall transform into a license granted for an indefinite period.

- 15.5 The Supplier agrees that EGO may make changes to the results covered by the above license.
- 15.6 In case the specific solutions can be the subject of a patent or protection right, then parties clearly indicate that EGO would be exclusively authorized to submit appropriate applications for registration in the relevant patent offices.
- 15.7 The Supplier undertakes, at each EGO's demand, to enter into an agreement under which the Supplier shall transfer to EGO proprietary copyrights to the results chosen by EGO, failing within the scope of the above license, on the field of exploitation indicated by EGO. This obligation also includes the transfer of the derivative rights to the results chosen by EGO.
- 15.8 The Supplier also undertakes, at each EGO's demand, to enter into an agreement under which the Suppliers would grant EGO the license with the right to grant sublicense relating to industrial property rights or transfer of industrial property rights to the results chosen by EGO. The choice if the subject of the agreement would be the license or transfer of rights belongs to EGO. This obligation also includes the duty to conclude the agreement on the use of yet undeclared: invention, industrial design, trademark or topography.
- 15.9 Will of the parties is that under the provisions herein, EGO would be entitled to copyrights and industrial property rights in the widest scope possible and that Supplier's commitment to conclude an agreement transferring these rights or license agreement would have the widest possible scope. The Supplier guarantees that he will be entitled to all rights and he will have the consent of the third parties enabling to fulfill the obligations as referred to in item 15.

### 16. Confidentiality, Publicity

- 16.1 All and any technical data and other commercial or technical information not in the public domain which is disclosed to the Supplier on account of the business relationship with EGO shall be treated as confidential by the Supplier. Such information may only be used for the execution of EGO's orders and may only be disclosed to such employees who need to be brought in for the execution of the order.
- 16.2 Without EGO's written consent, the Supplier shall not be entitled to report on or advertise the collaboration with EGO or in particular to include EGO in its reference list or use EGO's logo.

#### 17. Software

- 17.1. Software shall be delivered to EGO on customary data storage devices in machine-readable code, including user documentation.
- 17.2 If software is specifically developed for EGO the Supplier shall provide EGO with the source code, including manufacturer documentation.
- 17.3 Upon delivery of the software to EGO, the Supplier grants to EGO the license on the conditions described in item 15 above. The Supplier grants to EGO the right to create software development and then to dispose and use of such development in the full scope.
- 17.4 The Supplier shall not be permitted to duplicate, process or otherwise use the performance outcomes developed for EGO, neither in whole nor in part.
- 17.5 The Supplier shall not be permitted to publish the performance outcomes developed for EGO, neither in whole nor in part.
- 17.6 If procurement and warranty of a right specified in this paragraph is not possible from a legal point of view, the Supplier shall inform EGO thereof in writing before conclusion of the contract. Thereby the Supplier shall also provide EGO with the reasons why procurement and granting of such right is not legally possible.
- 17.7 The Supplier shall warrant that at the time of delivery no part of the software delivered to EGO contains any malware which is intended and/or able to provide the Supplier or any third party unauthorized access to EGO's computer system or to read, write, copy, change, damage or delete software or data on EGO's computer system without EGO's consent or to initiate other processes with, in or on EGO's computer systems that are not authorized by EGO.
- 17.8 The Supplier shall authorize EGO to make changes to the software, including modifications in the source code, if, in compliance with the provisions hereof, EGO was to be provided with it.

- 17.9 The Supplier undertakes, at each EGO's demand, to enter into an agreement under which the Supplier shall transfer to EGO proprietary copyrights to the software selected by EGO, to user documentation or manufacturer documentation, in the fields of exploitation specified by EGO. This obligation also includes the transfer of the derivative rights to the software chosen by EGO.
- 17.10 The Supplier also undertakes, at each EGO's demand, to enter into an agreement under which the Suppliers would grant EGO the license with the right to grant sublicense relating to industrial property rights or transfer of industrial property rights to the software chosen by EGO. The choice if the subject of the agreement would be the license or transfer of rights belongs to EGO. This obligation also includes the duty to conclude the agreement on the use of yet undeclared: invention, industrial design, trademark or topography.
- 17.11 Will of the parties is that under the provisions herein, EGO would be entitled to copyrights and industrial property rights in the widest scope possible and that Supplier's commitment to conclude an agreement transferring these rights or license agreement would have the widest possible scope. The Supplier guarantees that he will be entitled to all rights and he will have the consent of the third parties enabling to fulfill the obligations as referred to in item 17.

### 18. Limitation of Liability

EGO shall be liable for intent and gross negligence. EGO shall only be liable for slight negligence in case of a breach of essential contractual obligations which go to the root of the contract or the breach of which endangers the fulfilment of the contractual purpose. Also in these cases damages shall be limited to the foreseeable damage. In other respects, in case of slight negligence damage claims asserted by the Supplier shall be excluded, irrespective of the legal grounds thereof. This limitation of liability shall not apply in case of injury to life, limb or health.

### 19. Work Performed in our Factories

Any person performing work in one of EGO's factories in fulfilment of a delivery or service shall observe the relevant legal provisions as well as site rules of the factory concerned. In case of non-compliance EGO shall assume no liability for any accidents occurring in EGO's sphere of control – unless such accident was caused by EGO by intent or gross negligence. The rules and regulations in force for entering and leaving EGO's facilities shall be observed.

## 20. Transfer of Rights and Obligations

Any rights and obligations arising out of supply and service contracts shall not be transferrable to any third party. However, EGO shall have the right to pass on any rights and obligations from contracts on deliveries and services to be performed for EGO to its affiliated companies. An affiliated company for this purpose shall be a company directly or indirectly controlling EGO, directly or indirectly controlled by EGO or directly or indirectly is under common control with EGO. Therefore, such affiliated companies shall not be deemed third parties within the meaning of these OWZ.

#### 21. Place of Performance, Jurisdiction, Applicable Law

- 21.1 Place of performance for all and any liabilities arising out of the contract, in particular for delivery and payment, for both parties shall be the principal place of business of EGO or the place of performance named by EGO.
- 21.2 Place of jurisdiction for all and any legal disputes arising out of the contractual relationship, its creation and effectiveness shall for both parties be the competent court at the principal place of business of EGO. At EGO's option, EGO may also bring an action before the court at the seat of the Supplier.
- 21.3 These OWZ and contract shall be governed by Polish law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.