Dedicated Collaboration Model for Licensing and Trading Partners (DMW)

General Terms for Delivery Execution and Product Compliance of Power Gift

Version effective from June 2024

1. GENERAL PROVISIONS AND SCOPE OF APPLICATION

This policy defines the standard terms of cooperation, delivery execution, and the rules for verifying the quality compliance of goods manufactured and supplied by Power Gift (hereinafter referred to as the Supplier) to third parties, including Trading Partners and Licensees/Licensors (hereinafter referred to as the Buyer).

These terms form an integral part of every offer and any sales or supply agreement executed by the Supplier, unless the parties agree otherwise through individual, mutual negotiations in writing.

Any general purchasing conditions (GPC) or contract templates used by the Buyer that are contrary to this policy or seriously undermine the contractual balance between the parties are expressly excluded and shall not bind the Supplier without its express written consent.

2. COMPLIANCE WITH POLISH AND EU LAW (COMPLIANCE)

The Supplier declares and warrants that all products and packaging supplied by it are designed and manufactured in full compliance with the generally applicable laws and regulations of the Republic of Poland and the European Union.

In particular, the Supplier ensures compliance with requirements in the area of:

Chemical safety

Regulation (EC) No 1907/2006 (REACH) with respect to substances of very high concern (SVHC) and the restrictions set out in Annex XVII.

Food contact

Regulation (EC) No 1935/2004 and related EU directives governing standards for ceramic products, plastics, and other materials intended to come into contact with food.

Technical standards and occupational health and safety

All applicable harmonized European Union standards relevant to the given product category.

3. QUALITY DOCUMENTATION AND REGISTRATION IN ERP SYSTEMS

Upon the Buyer’s explicit request, the Supplier shall provide the standard package of technical and legal documentation required to place the product on the EU market, including:

Official Declaration of Conformity

DoC – Declaration of Conformity

Instructions for use and product maintenance

(if applicable)

In order to protect know-how and trade secrets, the Supplier shall not disclose its full internal design files, production formulas, or detailed commercial data of its subcontractors, unless such obligation arises directly from mandatory administrative or customs law.

The Supplier shall provide the Buyer with the necessary basic company registration data and bank account numbers in order to properly carry out the supplier verification (onboarding) process in the Buyer's ERP-class systems.

4. PAYMENT TERMS AND FINANCE

Commercial prices are set individually based on the Supplier's official price list or a dedicated offer and are quoted in PLN or EUR.

The standard payment term for regular Business Partners is 30 days from the date of issue of a correct VAT invoice, unless the parties agree otherwise in a bilateral agreement. The Supplier does not consent to unilateral extensions of payment terms to 60 days or more without financial compensation.

The Buyer is not entitled to make unilateral deductions (set-offs) of any receivables or alleged compensation claims from the current remuneration due to the Supplier, without prior completion of a mutual complaint procedure and written acknowledgment of the claim by the Supplier.

5. LOGISTICS, DELIVERIES AND GOODS RECEIPT

Unless otherwise agreed, deliveries are made on EXW terms (Incoterms 2020) from the Supplier's warehouse or according to individually agreed rules (e.g. CPT/DDP).

Goods are packed in a manner ensuring safe transport. In the case of orders that do not meet the logistical minimum for pallet transport, the Supplier ships in standardized bulk cartons via reputable courier companies.

Receipt of goods by the Buyer or the carrier and signing the delivery document (WZ/CMR) constitutes confirmation of quantity compliance and the absence of visible external defects of the bulk packaging.

⚠ The Buyer is obliged to inspect the shipment for hidden defects within 7 business days from the date of delivery and to submit any complaints in writing under penalty of forfeiting claims.

6. LIABILITY AND FORCE MAJEURE

The Supplier is liable for actual and proven manufacturing defects in the delivered products. The Supplier's liability for warranty claims, damages, and contractual penalties is limited to the net value of the relevant order in which the damage occurred. The Supplier shall not be liable for lost profits of the Buyer (lucrum cessans).

The Supplier shall not be liable for failure to perform or improper performance of obligations if it resulted from a Force Majeure event. Force Majeure shall mean external events independent of the parties, which could not have been foreseen or prevented (including, but not limited to, wars, pandemics, acts of public authorities, natural disasters, strikes, and global shortages of raw materials on the markets).

In the event of Force Majeure, delivery deadlines shall be automatically extended by the duration of the impediment. Neither party shall have the right to immediately terminate the contract on the grounds of Force Majeure, provided that the delay does not exceed 60 consecutive calendar days.

7. AUDITS AND INSPECTIONS

The Supplier allows authorized representatives of the Buyer to conduct a quality audit at the production facility only after the date, audit agenda, and a confidentiality agreement (NDA) have been agreed in writing in advance (with at least 14 days' notice).

Any unannounced inspections, financial inspections, accounting audits, or administrative verifications by third parties without the explicit prior consent of the Supplier's Management Board are not permitted.

4. GOVERNING LAW AND DISPUTE RESOLUTION

The law applicable to the interpretation and performance of these Terms and Conditions, as well as any agreements between the Supplier and the Buyer, shall be exclusively the law of the Republic of Poland.

Any disputes arising from the commercial cooperation shall be resolved by the parties amicably through negotiations. If no agreement is reached within 30 days, the dispute shall be submitted to the Polish common court having local jurisdiction over the Supplier's registered office. The jurisdiction of foreign courts is excluded.