

APPENDIX 2
to Cooperation Agreement No 14/2018
by and between AS Mintos Marketplace and eFactor S.A.

Factoring agreement
Nr eF/F/.....

made as of by and between :

eFAKTOR S.A. with its registered office in Warsaw, Adama Branickiego 15 St., 02-972 Warsaw, entered into the National Court Register pursuant to the decision of the District Court in Warsaw, 8 th Commercial Division of the National Court Register, under KRS number: 539205, NIP tax identification number 951 238 74 26 with fully paid capital in the amount of PLN 501.000,00.

represented by:

Piotr Gąsiorowski- Chairman of the Management Board

(hereinafter referred to as the '**Factor**')

and

..... sp. z o.o. with its registered office in, entered into the National Court Register pursuant to the decision of the District Court in....., Commercial Division of the National Court Register, under KRS number....., NIP tax identification number-.....-..... with fully paid capital in the amount of

represented by:

-.....- Chairman of the Management Board

(hereinafter referred to as the '**Client**')

or

..... livingengaged in economic activity, entered into Central Database of National Court Register, NIP tax identification number:-.....-....., PESEL:

(hereinafter referred to as the '**Client**')

or

..... livingengaged in economic activity entered into Central Database of National Court Register, NIP tax identification number:-.....-....., PESEL:

and

..... livingengaged in economic activity entered into Central Database of National Court Register, NIP tax identification number:-.....-....., PESEL:

acting as partners of a civil partnership entered into Central Database of National Court Register, NIP tax identification number:

(hereinafter referred to as the '**Client**')

or

..... sp.k. with its registered office in,entered into the National Court Register pursuant to the decision of the District Court in,Commercial Division of the National Court Register, under KRS number:, NIP tax identification number

represented by:

.....- Chairman of the Management Board of General Partner....., with its registered office in,entered into the National Court Register pursuant to the decision of the District Court in,Commercial Division of the National Court Register, under KRS number:, NIP tax identification number

(hereinafter referred to as the '**Client**')

§1
[Definitions]

For the purposes of this Agreement the following terms shall have the following meaning:

- 1) **General Assignment**- assigning to the Factor all Debts existing on the commencement date and all future Debts arising during the term of this Agreement as soon as they come into existence.
- 2) **Return Assignment**- made by the Factor return transfer of purchased receivables to the Client under the terms of this Agreement.
- 3) **Factor**- means the eFAKTOR S.A. (seat: Adama Branickiego 15 St. , 02-972 Warsaw), entered into the National Court Register pursuant to the decision of the District Court in Warsaw, 8 th Commercial Division of the National Court Register, under KRS number: 539205
- 4) **Client**- means the private entrepreneur concluding the Factoring Agreement with the Factor;
- 5) **Recourse Factoring**- type of factoring, in which the Factor does not take over the risk from the Client of the Contractor's insolvency (recourse factoring);
- 6) **Contractor**- means the accepted by the Factor obligor of the receivables included in the invoice issued by the Client for the delivery of goods or the provision of services, purchased by the Factor from the Client, where such invoice is payable in arrears.
- 7) **Non- financed amount**- part of the price of purchased receivables remaining after payment of the Advance.

- 8) **Factoring Limit**- maximum amount of the Advances due to purchased receivables, indicated in Appendix No.1.
- 9) **Contractor's Limit** – determined on the Contractor's List the maximum value of Advances that may be paid to the Factor for the repurchased claims to a contractor set in the list of contractors;
- 10) **Concentration Limit**- percentage of maximum funding of a given contractor in relation to the Factoring Limit;
- 11) **List of Contractors**- the list of the contractors accepted by the Factor;
- 12) **Minimum fee**- percentage of the minimum level of the Permanent Commission, which should be obtained by Factor in each Settlement Period in relation to the Permanent Commission, which would be charged from entirely used Factoring Limit;
- 13) **Purchased Receivables**- Client's claims against its contractors due to commercial agreements, assigned to the Factor according to General Assignment and under the terms of this Agreement;
- 14) **Immediate Maturity**- arising from the unilateral declaration of the Factor (without the necessity to set an additional date), the due date of the entire Client Debt, including liabilities that have not yet been paid, and the obligation to return all advances, even if the Maturity Date of the claim to the Contractor has not occurred yet;
- 15) **Trading period** - the period in which the Minimum Fee specified in Appendix No. 1 shall be reached. The first trading period begins from the first full calendar month of contract validity;
- 16) **Person authorized**- the person authorized by the Client to make declaration of will on behalf of the Client;
- 17) **Related parties**- an entity related by capital, organization or personally, and in particular directly or indirectly controlled by the Client or who directly or indirectly controls the Client or is controlled directly or indirectly by the same entity that controls the Client. The control situation occurs in particular:
 - a) one of the parties directly or indirectly through other entities (subsidiary) has at least 10% of votes in the bodies of another entity (subsidiary), also on the basis of agreements with other person;
 - b) one entity is entitled to appoint or dismiss any member of the managing or supervising bodies of another entity (subsidiary);
 - c) at least one member of the management board or supervision authority of one (subsidiary)entity is at the same time a member of the management board, a proxy or a person discharging the managerial functions of the other entity or another entity with the former in a dependency relationship,
 - d) one entity may influence another entity's activities;
- 18) **Dispute**- an event covering any discrepancy between the Contractor and the Factor or third party, in particular regarding the legitimacy, amount and maturity of the Claims;
- 19) **Calypso System**- an application used to handle transactions and exchange information via the Internet and a web browser at <https://www.efaktor.com.pl/>;
- 20) **Maturity date**- invoice due date;
- 21) **Agreement**- present Agreement;
- 22) **Receivables** - a monetary claim due to the Client from the Contractor due to contracts of sale or delivery of goods, services or rights concluded between these entities in connection with their economic business documented by invoice and other documents required by the Factor;
- 23) **Purchase of Receivables**- financing the receivables acquired by the Factor by paying the advance and settlement of the unpaid amount;
- 24) **Purchased Receivables**- purchased receivables, which were financed by the Factor;
- 25) **Indebtedness**- current outstanding balance of the advance payments paid by Client, account of the purchased receivables and commissions, interest and other fees due to the Factor specified in the Agreement;
- 26) **Advance Payment**- percentage of the price of the purchased receivables paid to the Client, indicated in Appendix No.1

§2

[The subject of the Agreement]

1. Under the conditions set out in this Agreement, Factor undertakes to provide Client with recourse factoring services, in accordance with the terms and conditions specified in this Agreement;
2. Subject to the terms and conditions of the Agreement, Factor shall be responsible for :
 - 1) monitoring and enforcing the repayment of claims from Contractors, including directing payment invoices against Contractors who do not pay their payments on time;
 - 2) claiming the payment of the receivables in court;
 - 3) providing the Client with information about provided services via Kalypso System.
3. The Parties shall define individual terms of the Agreement, contained in Appendix No.1.

§3

[Collaterals]

1. At the conclusion of the Agreement, Client is obliged to provide Factor with collaterals in the event of non-performance or improper performance of the Agreement and entitles Factor to use such collaterals. Forms of collaterals are specified in Appendix No.1.
2. The collaterals of the Factor's claims for non-performance or improper performance by the Recipient or Client of their obligations are:
 - 1) two copies of blank promissory notes issued by Client together with a promissory note declaration, which constitutes an appendix to this Agreement;
 - 2) General Assignment of Claims;

- 3) other forms of collaterals specified in Appendix No.1.
3. Along with the location of Contractor on the List of Contractors, Client transfers on Factor, on its request, all Collaterals against its Contractors.
4. During business relationship with Client, Factor is entitled to request the establishment of additional collateral, in addition to those established at the conclusion of this agreement, if in Factor's opinion the risk of the factoring transaction has increased.
5. Until the collateral is established based on the Factor's request, Factor is entitled to suspend its factoring activities or the fulfilment of its potential payment liabilities towards Client.
6. Costs associated with establishing, maintaining, checking existence (e.g. in the Central Information on the Register of Pledges) and the cancellation of collateral shall be borne by Client. The costs of transferring the collateral in connection with their purchase by Factor or a retransfer to Client shall also be borne by Client.
7. In the event of the Contractor's delay of payment or delay of performing of obligations under this agreement, Factor is entitled to, according to its choice, use from the satisfaction of their claims in the course of a lawsuit and, regardless of this, by satisfying on the subject of collateral. If case of several collaterals, Factor may enforce several collaterals at the same time.
8. Under the terms of this Agreement, Factor is obliged to return the promissory notes within 30 days from the day on which all Client's obligations under this agreement will be fulfilled.

§4

[Purchase of the Receivables, General Assignment]

1. Client assigns to Factor all its Receivables existing on the commencement date or arising after the Commencement Date during the term of this Agreement on and subject to the terms of this Agreement. Client hereby assigns all future receivables arising during the term of this Agreement to Factor. The ownership of such future Receivables will vest in Factor automatically as soon as they come into existence.
2. Factor purchases existing receivables due only to Client and for which there is no statutory or contractual restriction or exclusion in managing them.
3. Factor acquires receivables on the date of their creation. Factor acquires 100% of receivable value indicated in each invoice. This rule is not altered in any way by provisions limiting Factor's financial commitment, in particular regarding limits, prepayments, non-financed amount, or the scope of the financed activity. Similarly, they are not affected by errors in the content of invoices or other documents being the basis for their issuance.
4. Along with the receivables Client transfers to Factor all rights connected with it. Obligations resulting from the legal relationship under which

Claim arises, in particular liabilities under the warranty or guarantee, do not pass on Factor.

5. Upon the purchase of the Receivables by Factor, Client loses the right to make any changes to the Receivables without the consent of the Factor, including the values, payment dates and issuing correcting invoices.
6. Client signs the Notification of the Transfer of Receivables, which constitutes Appendix No. 3. Client is obliged to inform the Contractors about the transfer of receivables. The parties may decide that the Notification of the Transfer of Receivables in relation to selected Contractors will be sent by Factor, when Client fails to implement any of its obligations under the Agreement.
7. Client will report all its receivables in the Kalypso System. On Factor's request, Client will also place in the Kalypso System scans off all its receivables.

§5

[The notification of Contractors, Contractors list]

1. Factor will purchase the receivables against Contractors, reported by Client, in accordance with the provisions of ust. 2 and 3.
2. The Client, together with the application for factoring shall indicate the Contractor on the form called „Notification of Contractors for Factoring“, before this Agreement is concluded. Along with the „Notification the Contractors for Factoring“, Client shall provide Factor with the Contractors registration documents and any other data enable the identification of Contractor at its registered office, commercial agreements that Client has entered into with Contractor or annexes to these Agreements, or submit a statement to the Factor that the Client does not have any commercial agreements with the Contractor. Agreements and annexes should be drawn up in Polish or translated into Polish. The list of contractors accepted by Factor includes the List of Contractors.
3. During the term of this Agreement, the Client shall notify the contractor on the form of „Notification the Contractors for factoring“. Above mentioned form should be signed by an authorized person. The provisions of para. 2 p. 2 and 3 shall apply accordingly. The Contractor is accepted and placed on the new Contractors List, if Factor takes a decision in this regard.
4. Client, on each Factor's request, agrees to provide documents enabling assessment of the history of settlements with the Contractor, in particular printouts from the accounting system, covering a period of at least 12 months preceding the Contractors notification for factoring.
5. The List of Contractors includes the Contractor's Limit.
6. The List of Contractors, notified in accordance with paragraph 3, shall be immediately forwarded to Client in writing or by means of the Kalypso System as a unilateral declaration of the will of Factor and does not require an annex to the Agreement.
7. Client is obliged to notify each of the Contractors accepted by Factor about the conclusion of this

Agreement and the assignment of the receivables, in form established by the Factor.

8. Factor informs the Contractor about the conclusion of the Agreement with Client and also about the assignment of the Client's receivables to Factor.

§6

[Presentation of Receivables for Purchase]

1. Client will present all or selected receivables against the Contractors for purchase. The Client will indicate in the Kalypso System which of the invoices reported in accordance with §4 par. 7, presents for purchase.
2. Client declares that it will submit for the purchase the receivables, which:
 - 1) exists and are available only to Client;
 - 2) are not contested by Contractor in any way, including as to the amount or timing of payment, in particular in relation to a reported complaint or warranty claim;
 - 3) are entitled to Client from the Contractors who are not affiliated with the Client or to each other, unless the Factor, knowing about the connections, has agreed to the purchase of the related receivables;
 - 4) are not covered by any statutory or contractual restrictions or exclusions in the disposition;
 - 5) are free from any other encumbrances, in particular for the benefit of third parties, including the State Treasury, and in particular they do not constitute the subject of security for the above-mentioned entities (including social security premiums, taxes, customs duties);
 - 6) have been subject to the proceedings before a common court or arbitration court or other arbitration or mediation body, and are not subject to enforcement or administrative proceedings;
 - 7) can be claimed without any restrictions before a common court and they are not included in any arbitration clause;
 - 8) are not the subject of insolvency proceedings or recovery proceedings.
3. In order to present to Factor receivables for purchase, Client enters the invoice into the Kalypso System, attaching scans of copies of invoices that meet the conditions set out in ust. 2 and documents confirming the receipt of goods or services and additional documents specified in the agreement with the Contractor or requested by the Factor. In case of absence of an agreement with the Contractor, or if this agreement does not specify how to document the receipt of goods or service, Factor is obliged to document the receipt of goods or service by placing the clause on the invoice: "I acknowledge receipt of goods without reservations", legible signature of the person collecting the goods on behalf of the Contractor, or attaching to the invoice a "WZ" document, a service acceptance protocol, an international CMR / CLA sea bill of lading / CIM rail letter / AWB air waybill with a legible signature of the person collecting the goods on behalf of the contractor or other documents, confirming an unconditional manner and without reservations or comments the quality and quantity of goods received or service rendered.

4. After accepting the submitted receivables for purchase, Client sends to Factor an electronic scan of the request for purchase of receivables signed by the authorized person.
5. Client is obliged to send the correcting invoice to Factor via the Kalypso System no later than the next business day following the issuance of the correcting invoice.
6. The claim must be documented with an invoice:
 - 1) drawn up in accordance with the law and the terms of this agreement and signed by the Factor;
 - 2) containing a clause with the content specified in Appendix No.1;
 - 3) which due date is no longer than indicated in Appendix No. 1.
7. Client undertakes to provide, upon the request of Factor, submitted in verbal or written form, all documents, including those regarding the receivables, necessary to obtain payment from the contractors or allowing to initiate execution proceedings against them within 2 days of receipt of the request.
8. Client is obliged to submit the receivables for purchase not later than within 7 days from the date of issuing the invoice. In case of submitting the receivables for purchase after this date, Factor will charge an additional fee of PLN 20 for each invoice.
9. Client is obliged to submit the receivables for purchase no later than 5 days before the Maturity Date.

§7

[Refusal to purchase the Receivables]

1. Factor is entitled to refuse to purchase any receivables, if the request for purchase receivables does not meet any of the requirements set out in § 6, and if:
 - 1) an application for declaration of bankruptcy of Client or Contractor has been submitted, or a statement on the initiation of recovery proceedings against them;
 - 2) any of the previously purchased receivables have not been repaid in the repayment term;
 - 3) Client did not pay any liabilities to Factor, including those resulting from other titles than the Agreement;
 - 4) some other circumstances occurred, such as:
 - a. the court has declared Clients bankruptcy,
 - b. the court dismissed the bankruptcy petition because the Client's estate is insufficient to cover the costs of the proceedings,
 - c. enforcement has been initiated against Client or the Counterparty.
 - 5) Client did not provide Factor with documents required by the terms of this Agreement or documents requested by the Factor, in particular the original of the Factoring Application with attachments.
2. In the event of refusal to purchase the receivables, Factor has the right to return assignment of purchased receivables. In the event of a return assignment, Factor shall notify Client and the Contractor about this fact.

3. The return assignment takes place under the terms of this Agreement, without the need to conclude additional agreements between Factor and Client. The return assignment takes place at the moment of preparation of the "Return Assignments" when it is signed by a person authorized to act on behalf of the Client.
4. Factor has the right to change its decision about purchasing the receivables in the event of occurrence of circumstances justifying the refusal. In the event of changing the decision, Client is obliged to return the financing granted in the amount covered by the decision change within 3 days of receiving the Factor's request.
5. Factor is entitled to refuse to purchase the receivables without giving any reasons, especially if in Factor's opinion, the Client or the Contractor does not give due warranty for discharging the obligations resulting from the Agreement or other contract from which the claim arises or for the protection of the Factor's important interest.
6. Factor is entitled to contact with the Contractor in order to obtain confirmation of data regarding the purchased receivables, in particular to:
 - 1) verify the selected receivables by phone or e-mail;
 - 2) periodical confirm of balances;
 - 3) visit the Contractor, with its prior consent.

§8.

[Advances, Factoring Limit]

1. Factor pays the advances to Client in zlotys or in one of the foreign currencies up to the Factoring Limit.
2. Factor will pay the advances in the form of bank transfers to the Client's bank account indicated in Appendix No. 1.
3. Factor reserves funds for the purposes of financing the receivables purchased from Client. Client undertakes to use the Factoring Limits granted to the widest extent possible.
4. The date of payment shall be the day when the Factor's bank account is credited.
5. On the Client's request, the Factor may change the Factoring Limit or its validity period, however, increasing the Factoring limit requires the application of Client and the annex to the Agreement.
6. Factor may agree to exceed the Factoring Limit, the Contractor's Limit or the Concentration Limit by accepting the purchase of receivables exceeding those limits.
7. Factor is entitled to reduce or cancel the Factoring Limit, the Contractor's Limit, the Concentration Limit or the amount of the advance, unilaterally, in particular when:
 - 1) Client or the Contractor does not pay its obligations toward Factor on time;
 - 2) Contractor is in the middle of organizational or legal transformation, in particular during the procedure of changing its form of conducting business, commenced liquidation, insolvency or repairing proceedings.
 - 3) The material adverse change (in Factor's opinion) occurred in cooperation between the

Factor and the Contractor, in particular, there has been an increase in the level of adjustments or deductions, or the Client does not provide corrective invoices in due time;

- 4) the real value of Collaterals indicated in § 3 of this Agreement has changed;
- 5) the value of purchased receivables is significantly different from the level determined by the amount of the Factoring Limit or Contractor's limit.

§9.

[Payment of the price]

1. Factor shall pay the price for the purchased receivables after obtaining the full repayment of the receivables from the Contractor.
2. The date of payment shall be the day when the Factor's bank account is credited with the amount of payment.
3. The price is the gross value of the purchased receivables reduced by:
 - 1) commissions, fees and costs due to Factor under the terms of this Agreement;
 - 2) prepayments or advances made by the Contractor against the receivables resulting from the invoice, settled by Client;
 - 3) a rebate, discount or amount of correction made by Client for a given Contractor, in particular for the return of a part of the goods, complaints, etc.
4. Factor should make payment for the price by bank transfers to the Client's bank account indicated in Appendix No. 1.
5. The date of payment shall be the day when the Factor's bank account is credited with the amount of payment.

§10

[Settlement of Receivables]

1. If any amounts due to Factor from the repayment of the receivables will be transferred by Contractor to Client or Contractor will deduct its receivables with the Received Debt or the Contractor will pay the amount due to the Factor for repayment of the Debts to a third party under a multilateral compensation of liabilities, the Client is obliged not later than within 2 calendar days to return the amounts received, and in the case of a multilateral deduction or compensation, refund the amount deducted or compensated to the Factor's account. In the cases described in the preceding sentence, the Factor will each time charge a 1% commission on each Claim.
2. Client may turn to Factor with a written application for the purchase of a receivables previously transferred to Factor. Factor is entitled to make the Return Assignment of Purchased Receivables. In that case, Factor shall notify Client and Contractor about this fact.
3. Factor is entitled to reduce its obligations towards Client and set off the receivables from the Client, including receivables arising from other title than this Agreement.

4. All payment indicated in this Agreement shall be paid into account specified in Appendix No.1.
5. The date of payment shall be the day when the Factor's bank account is credited with the amount of payment.
6. In case of full or partial debt arrangement into Client's bank account, Client is obliged to inform Factor about this fact immediately- no later than 2 working days- return amounts received into Factor's bank account.

§11

[Monitoring and Claiming the Receivables]

1. If Contractor delays the repayment of Purchased Receivables, Factor shall call the Contractor for payment.
2. Client is obliged to provide Factor with all documents containing information that might be helpful in monitoring process and claiming the receivables. Client undertakes not to perform actions directly or indirectly related with the monitoring or claiming the receivables, without Factor's prior written consent.
3. Factor informs Client about actions that have been taken to obtain the repayment of Receivables from Contractors, in particular about referral to court.
4. Factor may refrain from claiming the receivables in court, in particular in the event of a dispute regarding the existence of the amount of the Claim, the submission of counter-claims by the Contractor or concerns about the enforceability of the Claims.
5. Costs related with referring a case to court are borne by Client.

§12

[Commissions, fees and interest]

1. Factor charges commissions, fees and interest for services rendered in the amount specified in this Agreement and Appendix No. 1:
 - 1) Preparatory Commission - for consideration of Factoring Application calculated from the Factoring limit value, payable from the Factor's first claim date or, in the absence of a purchase, at the latest within 30 days from the date of the factoring agreement, in the amount specified in Appendix No. 1;
 - 2) Permanent Commission- calculated from the nominal value of the purchased invoice, for the period from the date of the Purchase of the Receivables to the Maturity Date, payable on the Maturity Date, in the amount specified in Appendix No. 1;
 - 3) Commission for Renewal of Factoring Limit - calculated as of the commencement date of the next 12 months of the Agreement, counted from the Factoring limit for that day, payable in the amount specified in Appendix No. 1;
 - 4) Commission for Increasing the factoring limit- calculated from the increase amount, payable in the amount specified in Appendix No. 1;
 - 5) Commission for Purchase of Receivables over the Factoring Limit, Contractor's Limit or

- Con-centration Limit- calculated from the amount of the overrun, payable in the amount of 0.167% for each day of financing;
- 6) Statutory Interest for Client's late payment of receivables resulting from invoices issued for commissions, interest, fees and costs;
 - 7) Fee for debt collection of Purchased Receivables, taken by Factor or an entity acting on its behalf after 30 days from the Maturity Date of any purchased receivables, counted from the sum of all payments received by Factor after this termination of 4%, payable within 7 days of receipt.

- 8) Costs of pursuing claims in court:
 - a) court fees on lawsuits or petitions and costs of court and enforcement proceedings, resulting from generally applicable provisions, specified in court calls, bailiffs, payable within 7 days of submitting these letters in court or receiving a request from the competent authority
 - b) costs of legal representation in the minimum amount specified in the Regulation of the Minister of Justice of 28 September 2002 on fees for advocacy activities costs and legal expenses incurred by the State Treasury, granted by a legal counsel established ex officio (Journal of Laws of 2013, item 490 with later amendments), payable within 7 days from submitting the claim;
2. Factor charges the following Additional Fees:
 - 1) fee for using the Kalypso System, calculated at the end of each calendar month in the amount of PLN 90;
 - 2) fee for training on the use of the Kalypso System submitted by Factor after signing the Agreement in the amount of PLN 100 for each user;
 - 3) fee for a SORBNET transfer - in the case of a clear disposition of Factor (fax, e-mail, text message) that the transfer of funds should take place in this form - in the amount of PLN 50
 - 4) fee for express currency transfer in the amount in which Factor has been charged by the Bank;
 - 5) fee for reporting a contractor for factoring in the amount of PLN 100;
 - 6) fee for increasing the Contractor's limit in the amount of PLN 100;
 - 7) fee for verification of the Contractor in databases at Client's request in the amount of PLN 100;
 - 8) fee for preparing the opinion of Client at the Client's request in the amount of PLN 250;
 - 9) fee for preparing an Annex or an Agreement amending the terms of this Agreement for reasons attributable to Client in the amount of PLN 200;
 - 10) fee for preparing Client's or Contractor's audit during the term of this Agreement in the amount of PLN 500;
 - 11) fee for a correcting invoice in the amount of PLN 20;
 - 12) fee for opening and maintaining an individual bank account for Client in the amount of PLN 50 per month;
 - 13) fee for the preparing a report or statement at the Client's request in the amount of PLN 100;

- 14) fee for determining the title of payment in case of a transfer imprecisely described by the Contractor in the amount of PLN 20;
 - 15) fee for non-standard service of the Agreement in the amount of PLN 200 per month;
 - 16) fee for non-delivery or untimely delivery of required documents in the amount of PLN 100 for each document;
 - 17) fee for sending each written request for payment in the amount of PLN 30;
 - 18) fee for each telephone call, text message or e-mail (reminder of the date of payment, request for payment) in the amount of PLN 15.
3. The commissions referred to in ust. 1 pkt 2 and 5 shall be payable on the Maturity Date by deducting equal to the amount of advance. The commission or its part not paid in the manner described in the preceding sentence will be payable on the date of actual repayment of the Receivables. Client is entitled to issue a VAT invoice before receiving the payment. In particular, if the re-payment shall be made the following month, Factor may issue an invoice for the commission due at the end of each month.
 4. The amounts recovered by Factor from the Contractor for the refund of court costs (except for the costs of legal representation), Factor will reimburse to Client within 7 calendar days from their receipt. If the order of enforcement against the Contractor is obtained as a result of a writ-of-war or writ-up proceedings, Factor will reimburse the Client, within 7 days of obtaining a valid order of execution, the difference between the amount of the full registration and the actual contribution.
 5. If the Minimum Commission Level will not be reached by the end of Settlement Period, Factor will charge the Client with an additional Fixed Fees up to the amount of the Minimum Commission Level.
 6. Commissions, fees and costs due to Factor:
 - 1) will be increased by VAT in the amount resulting from the applicable provisions;
 - 2) will be payable within 7 days from the date of issuing the VAT invoice;
 - 3) may be settled by deduction of Advance or any other receivables of the Client also before the payment deadline indicated in the VAT invoice.
 7. Statutory interest will be payable on the basis of an interest note issued on the day the debt is repaid, within 7 days from the date of the note being issued.
 8. Factor is entitled to change the amount of Additional Fees. Information about the change may be provided to Client in writing or by e-mail indicated in Appendix No. 1 or via the Kalypso System. The change is effective after the 30-day period counted from providing Client with such information, unless Client will not make an objection in writing against the change in the amount of additional fees. New additional fees will be applied from the calendar month following the month in which the change came into force. In case of fact that Client has made an objection, the rates in the current amount will apply.
 9. If Client issues VAT invoices in euros, advance or other receivables of the Client, in the absence of any other agreement, Factor shall provide in euro. In settlements between the Parties, the

value of the Receivables or the value of the monetary benefits of the Parties and the value of payments from the Recipients will be converted into the Polish currency according to the average NBP exchange rate on the day preceding the conversion.

10. If the euro exchange rate proper for the day of transferring any amount due to Client is higher than the euro exchange rate proper for the day of receiving the payment from the Recipient, Factor may require the Client to pay the exchange difference. The exchange difference will be paid based on the debit note.
11. In case when any repayment to the Factor's account will be made in a currency other than the currency of the receivables, the costs that may arise are covered by Client.

§13. [Delay]

1. In case of:
 - 1) delays in payment of any obligation of the Contractor by 14 days;
 - 2) delays in payment of any obligation of the Client by 14 days;
 - 3) infringement by the Client any of the provisions of this Agreement and failure to remove the breach within 3 days from the Factor's request,
The Factor is entitled to demand immediate payment from the Client.
2. In the event of a threat of insolvency of the Client or Obligor, thereby the parties understand in particular:
 - 1) initiation an execution against the Client or the Obligor;
 - 2) filing an application for the bankruptcy of Client or the Obligor
 14-day terms specified in ust. 1 are shortened to 3 days.
3. In the event of a delay in repayment of the purchased invoice, lasting up to 30 days, the commissions referred to in §12 ust. 1 point 2 and 5, calculated from the value of unpaid claims, for the period from the next day after the Maturity Date until the repayment date, are increased by 40%, and in case of a delay of more than 30 days by 100%.
4. In cases described in ust.1 the Client has the right:
 - 1) settle the Agreement by offsetting its claim against the Client with the Purchased Receivables, that have not been paid by the Contractors;
 - 2) include the receivables against the components of the Client's Debt at its choice.

§14. [Rules of using the Kalypso system]

1. The Kalypso system is used for communication between Factor and Client. It allows sending documents electronically and information related to the performance of the Agreement.
2. The Kalypso system enables Client to obtain information, in particular:
 - 1) refusal to buy the receivables by Factor;
 - 2) repayment of receivables made by individual Contractors;

- 3) settlement of repayments with the receivables.
3. In order to use by the Client the Kalypso System, Factor shall provide Client (by e-mail address indicated in Appendix No. 1) with :
 - 1) username (login);
 - 2) access password.
 4. Client is obliged to prevent any unauthorised persons from having access to classified information indicated in ust.2.
 5. The Parties agree that statements of will made via the Kalypso System are equivalent to the written form provided for the Agreement and that they are effective, binding and submitted to the other party as soon as it was introduced into the Kalypso System in such way that the party could become familiar with its content. The above does not include the situation in which the written form is required in addition to the electronic form in accordance with the terms of the Agreement.

§15

[Information obligations of the Client]

1. During the term of this Agreement, Client is obliged to:
 - 1) inform Factor in three-month periods, not later than by the end of the month following the month of the quarter ending, about its financial situation, in particular, provide financial documents (F-01 report, balance sheet and profit and loss account, auditor's opinion and report), documents enabling assessment of the history settlements with the contractor (printouts from the accounting system). Factor reserves the right to request those documents at any time during the term of this Agreement.
 - 2) inform Factor on an ongoing basis, no later than one month after the occurrence, about its organizational and legal situation, enclosing documents confirming any capital, organizational or personnel changes, including changes of authorized persons;
 - 3) inform the Factor in writing within 2 days about initiating insolvency or repairing proceedings;
 - 4) send to the Factor a copy of the application for the declaration of bankruptcy or a statement on the initiation of the recovery proceedings, on the day that the Factor submits the application or statement in court;
 - 5) notify the Factor, within 2 days from the date of receipt of the notification of filing an application for the bankruptcy of the Client by another authorized entity by sending a copy of the notification along with a copy of the application;
 - 6) notify the Factor, within 2 days from the date of receipt of the first information of the initiation an execution or safeguard proceedings in relation to the Client or its Contractor.
2. The Client undertakes to inform the Factor not later than within 2 days of the Contractor's reservations as to the existence or amount of the purchased receivables and other circumstances due to which the Contractor refuses or may refuse to pay the Debt due date or in full amount.
3. The Client undertakes, to inform the Factor of any existing and newly opened bank account, submitted application for factoring, concluded loan agreements, factoring agreements, loan agreements or sureties granted, within 2 days of the occurrence mentioned above,
4. The Client undertakes to inform the Factor at least 14 days before planned changes to the terms of cooperation with the Contractors, which may affect the claims referred to in § 6. The Factor will, within 3 days of receiving the above information, decide whether or not to accept the changes. The Client undertakes not to make changes without the consent of the Factor. In addition, the Client undertakes to inform the Factor about the content of the agreements concluded with the Contractors with whom the cooperation has not been regulated by the agreement and does not include clauses that exclude or limit the possibility of transferring receivables and pursuing claims before the common courts.
5. The Client is obliged to inform the Factor about the occurrence of a dispute between the Client and the Contractor within 2 days from the occurrence of such a situation. In such case, the Client is obliged, after consultation with the Factor, to take action in order to settle this dispute in favor of the Factor. The Client is responsible for actions or omissions in the above-mentioned scope.
6. The Client is obliged to notify the Factor immediately, not later than within 2 days, in writing, by fax or electronically about all events that may significantly affect its financial condition, in particular:
 - 1) obtaining information about the Contractor's unfavorable financial situation, including:
 - a) failure to make a payment due to a lack of funds on the account, deterioration of the payment behavior of the Contractor;
 - b) suspension of commercial contacts by the Client due to a negative assessment of the Contractor's financial situation;
 - c) the fact that the Factor has begun court proceedings in order to recover the amount due or bring a lawsuit against the Contractor,
 - d) transferring a case for recovery to a debt collection company or a law firm, obtaining information showing that the Contractor has been or may be insolvent, in particular about the intention of submitting or submitting an application for bankruptcy or a statement on the initiation of remedial proceedings by the Contractor or to the Contractor;
 - 2) obtaining any amount from the Contractor for the repayment of the Receivables or for the receipt of the previously delivered goods.
7. Client undertakes to notify Factor of any information about the deterioration of the Guarantor's financial situation, including disposal or otherwise depleting or encumbering its assets.
8. The Client is obliged to store all documents regarding cooperation with the Contractors and the receivables created on their basis, purchased by the Factor and providing these documents at every request of the Factor.

9. The Client, each time without invoking the Factor, is obliged to provide the Factor with copies (scans) of documents related to the conclusion or amendment of contracts with contractors, such as: new contracts, annexes to agreements, also concluded after the signing of this contract and contracts for securing contracts with contractors.
10. All information duties are required. Client is obliged to perform its contractual obligations immediately, unless the specific dates are specified in Appendix No. 1.

§16 [Contractual penalties]

1. Factor declares that by purchasing the receivables it acts in confidence in the Client's declarations and warranties referred to in § 6 ust. 2 of the Agreement, and the purchase of Receivables that do not meet the conditions specified in § 6 ust. 2 of the Agreement exposes it to significant financial risk.
2. Client declares that he accepts that the submission of statements and assurances referred to in § 6 ust.2. of the Agreement that are not in accordance with the actual state of affairs or concealment of information relevant to the factual or legal status of the Claim, constitute a gross violation of the Agreement, and may also be marked by acts prohibited under the penalty described in the Penal Code, including the fraud offense.
3. The Factor is entitled to charge the Client with contractual penalty of 10.000 (ten thousand) zlotys per each of the following event:
 - 1) non-submission of documents by Client to Factor (including original documents sent by e-mail) or failure to provide information required by the provisions of this Agreement or requested by Factor, despite the fact that Client has been reminded;
 - 2) submitting by Client false information or defective documents confirming its financial situation;
 - 3) non transferring to Factor its invoices or printouts of settlements, if required, in accordance with the terms of this Agreement;
 - 4) signing by Client during the term of the Agreement with Factor the document, which results in a statement on the transfer (assignment) of the receivable or its part to another entity;
 - 5) failure to include in the invoice a clause on the transfer of receivables to Factor or Factor's bank account number, if such obligation results from the Agreement (it has not been excluded in Appendix No. 1);
 - 6) taking actions by Client aimed at the contractor's failure to pay for the receivables to the Factor, in particular submitting to the Contractor a statement on changing the bank account proper to make the payment or submitting to the contractor a statement on the cancellation of the assignment.
4. Factor is entitled to charge Client with a contractual penalty in the amount of the gross amount of the Invoice, including the receivable Claim, in the event of any of the following events:

- 1) Client has adjusted the purchased invoice without the Factor's knowledge and consent;
 - 2) notification by Client for purchase of receivables for which the Contactor has previously reported allegations: as to their existence, amount, due date, non-performance or improper performance of delivery or service by the Client to the Contractor;
 - 3) notification by Client to finance the receivables previously seized by the enforcement authority without informing Factor about this fact.
5. Factor will be entitled to charge Client with a contractual penalty of 1% (one per cent) of the Factoring Limit if Client does not provide Factor with any invoices for financing that meet the requirements specified in § 6 ust. 2 of the Agreement:
 - 1) within 60 days of signing this Agreement, or
 - 2) within 60 days of signing this Agreement, if Client makes a declaration resulting in termination of the Agreement before that date.
 6. If the Client fails to meet the condition regarding the amount of cash flows through the Factor's account, Factor will be entitled to charge Client with a contractual penalty of 1% (one per cent) of the Factoring Limit.
 7. Factor is entitled to charge Client with a contractual penalty in the amount of PLN 10,000.00 (ten thousand zlotys) for each case of non-performance or untimely performance of any of the disclosure obligations under § 15 of this Agreement.
 8. The payment of liquidated damages shall not exclude the right to claim damages in excess of the liquidated damages.

§17 [Protection of Personal Data]

1. The Factor is the personal data controller.
2. Providing data by Client is voluntary, but necessary to implement the provisions of the Agreement. Client has the right to request supplementing, updating, rectifying personal data, temporary or permanent suspension of their processing or their removal if they are incomplete, out-of-date, untrue or have been collected in violation of the Personal Data Protection Act, they have become unnecessary for the purpose for which they were collected.
3. Personal data will be processed in order to conclude and implement this Agreement.
4. Factor has the right to entrust the processing of the Client's personal data to entities cooperating in concluding and implementing this Agreement.

§18 [Communication between parties]

1. All correspondence, declarations of will and notification, unless the Agreement provides otherwise, shall be made in writing and sent in one of the following ways: by ordinary letter, registered letter with return receipt, by courier, via the Kalypso System or by email to addresses indicated in Appendix No. 1.

2. The change of addresses indicated in Appendix No. 1 takes place by submitting a written statement and does not require an annex to the Agreement. In the event of not informing about the change of address by the website, all correspondence and notifications shall be deemed to have been effectively delivered to the previously indicated address.
3. Declaration of will or knowledge on behalf of the Factor is made by authorized persons, indicated in the Specimen Signature Card, enclosed as Appendix 4. During the term of the Agreement, the Factor may make changes to Authorized Persons, each change must be made, under pain of nullity, in writing - by submitting a new Signature Design Card. The change is binding for the Factor from the first business day following the day when the Factor received a new Signature Specimen Card.
- 5) occurrence of changes in the Client's capital structure or representation or change of the object or form of its business activity.
- 6) deterioration of Client's financial situation or the occurrence of symptoms of such deterioration, such as an increase in liabilities or overdue receivables, appearance of an entry in any debtors' database;
- 7) deterioration of Contractors payment behavior;
- 8) initiation against Client enforcement proceedings, filing an application for bankruptcy or a statement on the initiation of restructuring or recovery proceedings;
- 9) concluding by Client with a third party a factoring agreement or an agreement of a similar nature;
- 10) occurrence of events described in pkt. 1, 2, 5, 6 or 8 with participation or in relation to the guarantor.

§19

[Duration and termination of the Agreement]

1. This Agreement shall have an initial term of twelve (12) months. Thereafter, the Agreement shall automatically renew for successive periods of twelve (12) months, unless sooner terminated at least 30 days before the end of this term as hereinafter provided.
2. During this period, either party may terminate this Agreement with 30 days prior notice. Under the circumstances provided in ust.4 Factor is entitled to terminate the Agreement without notice.
3. In case of termination the Agreement by Client, other than at the end of the applicable Original Term, the Client should pay the Factor an early termination fee equal to (i) two percent (2.0%) of the average Factoring Limit, but no less than 1.000 zlotys (one thousand).
4. Any earlier cancellation or termination of the Agreement shall be done in writing as a precondition of the validity of such termination. The notice period and the termination with immediate effect begins to run or on a date specified by the Factor and it's effective from the date of delivery to the other party respectively of the notice or declaration of termination of the Agreement.
5. Factor may terminate this Agreement upon any default or breach of this Agreement by Client, in particular:
 - 1) the fact that the Client is overdue for the Factor for more than 14 days, and in the event of the Client's insolvency or threat of insolvency, in particular they understand the submission of an application for bankruptcy or enforcement against it for a period longer than 3 days;
 - 2) submitting by Client to Factor completely or partially false statement of knowledge, in particular submitting documents containing false data, making false declarations that may affect Factor's decision regarding the conclusion or performance of the Agreement;
 - 3) failure by Client to comply with any disclosure obligations referred to in § 15;
 - 4) failure by Client to submit the Receivables for purchase for a period longer than 30 days;

6. Upon termination of the Agreement, all payments due from the Client under the Agreement become immediately due and payable.
7. Factor in cases specified in paragraph 4 may put the Client's debt in the Immediate Due state without the need to simultaneously submit a statement on termination of the Agreement.
8. After full repayment of the Debt by Client, Factor will perform Return Assignment of the unsettled receivables.
9. In the event of failure to repay Client's debt towards Factor § 13 ust. 2 shall apply accordingly.

§20

[Consequences of termination of the Agreement]

1. Upon the termination of the Agreement by any of the parties, Factor shall cease further purchase of receivables and shall be entitled to count all payments made to the Client's account from the Contractors to reduce the Client's Debt and shall be entitled to make Return Assignment of non-purchased receivables.
2. As of the date of termination of the Agreement, the Factoring Limit and the Contractors Limits expire.
3. Termination of the Agreement does not release the parties from the obligation of mutual settlements and does not affect validity of the obligations of the parties resulting from the purchased receivables.
4. Until the debt is fully repaid to Factor, Client is obliged to submit to Factor for purchase all newly arisen receivables against Contractors.
5. As soon as the parties settle mutual obligations under this Agreement, Factor will reimburse Client with documents regarding the established securities referred to in § 3. The return of security documents shall be sent by registered mail with confirmation of receipt to the correspondence address indicated in Appendix No. 1.

§ 21.

[Additional and final provisions]

1. Client authorizes the Factor to issue invoices for commissions, fees and interest. The Client's signature is not required.
2. During the term of this Agreement, as well as after its termination, but before the total repayment of the Debt, Factor is entitled to visit the Client's office, production and storage rooms, inspect his trade books and make copies of Client's documents.
3. Client consents that Factor shall seek all information regarding Client and its business activities in all institutions, especially in banks or other financial institutions.
4. Each party undertakes to keep confidential any and all information and documents which will find about during their cooperation.
5. The confidentiality obligations, referred to in ust. 4 do not bind the parties when it comes to due performance of the Agreement or claims for non-performance or improper performance of the Agreement.
6. The Client hereby gives its consent for processing its data in connection with the provision of services by the Factor or other entities provided for in this Agreement.
7. To ensure the proper performance of the Agreement, the Factor is entitled to use the third parties and provide them with confidential information.
8. For the avoidance of doubt, the Parties agree that the right referred to in Article 10 p. 1 of the Act on payment dates in commercial transactions, Factor will be entitled for each due Claim (invoice) purchased from the Factoree and any claim of the Factor concerning remuneration.
9. Client has no right to transfer to the third party any claims that it will have against Factor on the basics of this Agreement.
10. With the receivables due to Client, Factor may deduct all receivables due to it, including receivables from other titles than this Factoring Agreement. Payments received from Contractors or other entities paying for Contractors or Client, Factor may count as per their own choice, also for receivables from other titles than this agreement. The method of accounting used by Factor is binding and removes different dispositions. Factor may also make deductions from not yet matured receivables and credit to receivables not required if there are any due receivables due to Factor from Client.
11. Hereby Client agrees to receive invoices and its corrections and duplicates in electronic form, in

Client

accordance with the Tax on Goods and Services Act of 11 March 2004. about tax on goods and services (Journal of Laws of 2017, item 1221, as amended). Submitting invoices in the form of a PDF by the invoice automatically means that there is no need to issue invoices in paper form to the Factor. The statement does not exclude the right of the Factor to send invoices in paper form in the event of a system failure or other fortuitous events attributable to the Client.

12. The Factor declares that invoices will be sent from the following e-mail address: faktury@efaktor.com.pl.
13. The Client declares that the e-mail address for sending invoices is the e-mail address provided in Appendix No. 1.
14. An invoice issued in electronic form is also a request for payment within the meaning of art. 455, specifying the method and date of payment.
15. Client agrees that the correspondence between parties, including a request for payment, shall be made in electronic form at the e-mail address indicated in Appendix No. 1. Correspondence to the indicated e-mail address shall be considered effective unless Client has informed Factor, in the form provided for the agreement, about the change of the e-mail address specified in Appendix No. 1.
16. Appendixes shall form an integral part of this Agreement.
17. In case of divergence between the language versions, the Polish version shall prevail.

Appendixes:

- Appendix No.1 Individual Terms of Factoring Agreement**
- Appendix No.2 Contractors List**
- Appendix No. 3 Notice of Assignment of Receivables**
- Appendix No.4 Application for Purchase of Receivables (Template)**
- Appendix No.5 Specimen Signatures Card**
- Appendix No. 6 Bill declaration**

Factor
