

ART AUCTION REGULATIONS

I. Introductory provisions

These Regulations define the rules for conducting and participating in the Auction, the subject of which are works of art organized by Bogusław Żurek IT & MORE - Auction House (marketing name of the Auction House gallery – ZbylutGaleria).

II. Definitions

- 1) Organizer - Auction House - **Bogusław Żurek IT & MORE** based in Warsaw 01-875, ul. Zgrupowania Żmija 13/5 entered into the Central Register and Information on Economic Activity NIP 586-151-44-53 REGON 147385463.
- 2) Object - Auction Item - a work of art or other collector's item that is the subject of the sale.
- 3) Seller - the person submitting the Object for sale.
- 4) Participant / Bidder - a person who registered, who participates in the Auction.
- 5) Buyer - Auction Participant who, during the auction of the Object, submitted, in accordance with the provisions of these Regulations, the highest valid offer accepted by the Auctioneer, as a result of which a contract of sale or a conditional sale contract is established.
- 6) Auctioneer - a person appointed by a plenipotentiary representative of the Auction House to conduct the Auction.
- 7) Auction - a form of sale, consisting in submitting bids for the purchase of individual Lots by Bidders on the terms and conditions set out in these Regulations, in which the winning Buyer is obliged to conclude a sale agreement or a conditional sale agreement.
- 8) Catalog - a document prepared by the Auction House containing descriptions of the Objects put up for sale in the Auction along with the starting price. The catalog is prepared in an electronic version and made available on the website of the Auction House www.zbylutgaleria.pl and other websites on the basis of contracts concluded by the Auction House and related to the organization of the Auction. The catalog also contains information on the droit de suite fee / the rights of the creator and his heirs to receive remuneration for the professional resale of original copies of works /, objects with an export license, the minimum price. The catalog does not present the full condition of a given Facility. Lack of possible defects and / or damage does not constitute an assurance that the Object is free from defects and damage.
- 9) Pre-auction exhibition - the exhibition of the Objects will be organized on days at the place and time indicated by the Organizer in order to enable potential Buyers to familiarize themselves with the Objects intended for the Auction and their condition.
- 10) Starting price - the amount from which the auction of the Object begins.
- 11) Estimation - the estimated value of the Object, given on the basis of the current market quotations of items analogous to the auctioned item. An auction completed within the Estimation range or above its upper limit is the final transaction and results in the conclusion of a legally binding sales contract between the Auction House and the Bidder. The Estimation does not include Auction fees and additional fees.

12) Auction fee - a fixed fee of 18% added to the amount on which the auction of the Object ended, constituting the Auction House's remuneration for the conducted Auction. The auction fee is part of the final price of the Object. The amount auctioned together with the auction fee includes the value added tax.

13) Purchase price - is the total price payable by the Buyer and includes the price hammered down, the auction fee and additional fees, including the droit de suite fee.

14) Guarantee price - the minimum price for which the auctioned Object may be sold. Guarantee price - the minimum price is confidential and agreed between the Auction House and the Seller. If the minimum guarantee price is not reached during the auction, the end of the auction results in the conclusion of a Conditional Sale Agreement, which is announced by the Auctioneer after hitting the hammer. In this situation, the sales contract comes into effect if the Seller agrees to sell the Object at a price lower than the warranty price or the Buyer increases the offer to the warranty price.

III. Auction sale

1. Objects intended for auction

All Objects presented in the Auction Catalog are intended for sale under the conditions specified in these Regulations. In any case, the change of conditions may take place through an appropriate annex to the Catalog or an announcement made known by the Auctioneer before the start of the Auction in the auction room.

The subject of the Auction are the Objects put into commission sale by the Sellers (the Auction House acts in this case on its own behalf, but on behalf of the principal authorized to dispose of the Object) or owned by the Auction House. According to the Seller's declaration, the Objects put up for the Auction are his property, or the Seller has the right to dispose of them. In addition, these Facilities are not subject to any court or tax proceedings, they are free from seizure and lien and other limited property rights, as well as any third party claims. The catalog object is subject to a professional valuation prepared in the best faith and a detailed catalog description prepared by the Auction House. The Auctioneer has the right to withdraw the Object from the Auction without giving any reasons, also during the Auction. The auction is conducted in Polish and in accordance with the law in force in the Republic of Poland by the Auctioneer indicated by the Auction House. Auction prices are given in Polish zlotys.

2. Auction

a. Conditions for participation in the auction / Registration for the Auction

i. Personal auction

The condition for participation in the Auction is that the Bidder accepts the content of these Regulations in its entirety and without any reservations.

All Bidders must register before the Auction, provide the required information provided in the registration form (Bidder's name and surname, email address, telephone number, correspondence address, ID number), present a document confirming identity (ID card or passport) and collect a plate with bidding number. In the case of participation in the Auction

of a legal person, it is required to provide a current excerpt from the relevant Register, indicate the person from among the persons authorized to represent a legal person participating in the Auction, and in the case of participation in the auction of a legal person's representative, show the relevant power of attorney signed in accordance with the manner of representation indicated in the submitted Register. In the event of reasonable doubts as to the identity of the Bidder or the possibility of concluding a valid sales contract, the Auction House has the right to make its registration conditional on the results of checking his solvency, confirming his identity, presenting additional documents, obtaining data about the Bidder from third parties or determining the amount of the deposit which should be paid by the Bidder to secure the terms of using the sum of the bid security. The personal data of the Bidder is confidential information and remains for the sole information of the Auction House.

The Auction House may refuse to allow certain persons to participate in the Auction if there is justified doubt as to their identity, the possibility of concluding a valid sales contract, suspicion of the possibility of committing a prohibited act or if the given person's behavior may interfere with the proper course of the Auction.

ii. Ordering an auction with a limit and a telephone auction

For the convenience of Bidders who cannot participate in the Auction in person, the Auction House carries out a written order of bidding with a limit and orders for a telephone bid. In such a case, the absent Bidders should fill in the "bidding order" form, which can be found in the Catalog, on the website of the Auction House or obtained in the galleries of the Auction House.

A bidder wishing to place a limit bidding order indicates the items to be auctioned on his behalf, along with the maximum bid amount. The amounts indicated by the Bidder in the bidding order do not include the auction fee and additional fees, they should be expressed in Polish zlotys and comply with the increment table. The Auctioneer does not accept the bidding order in which the maximum amount up to which the Auction House can execute the order is not indicated.

The Auction House will make every effort to ensure that the Bidder purchases the selected Object at the highest possible price, but not lower than the Guarantee Price. If the limit given by the Bidder is lower than the Guarantee Price and is at the same time the highest bid, then a conditional transaction takes place. In the case of two or more orders with the same limit, the order of submissions is decisive.

If the Bidder decides to order a telephone auction, he shall indicate the items from the Auction Catalog that are to be auctioned with him by phone, along with the telephone number or numbers, to contact the representatives of the Auction House during the Auction.

Ordering a bid with a limit or a telephone auction does not release the Participant from the obligation to register. All bidding orders with a limit and telephone bidding together with a photocopy of an identity document enabling the verification of personal data should be sent (by post, fax or e-mail) or delivered in person to the gallery of the Auction House at least 24 hours before the start of the Auction. Orders delivered later may not be processed.

The telephone bidding may be recorded, and placing an order is tantamount to consenting to the recording of the telephone conversation. In the event of difficulties with a telephone connection, the Bidder may set a limit on the order to which an employee of the Auction

House will bid, despite the lack of connection. If no limit is specified in the order, an employee of the Auction House recognizes that the client is offering at least the starting price.

The bidding service based on the bidding order is not subject to an additional fee. The Auction House undertakes to exercise due diligence in the execution of orders, but is not responsible for the failure to complete such an offer, unless the fault for the failure to perform the order lies solely with the Auction House.

iii. Online bidding

Persons interested in online bidding on the website indicated on the Auction House website, providing their name and surname, e-mail address, telephone number, correspondence address and credit card details (needed for identity verification and payment processing). Additionally, a photocopy of an identity document enabling the verification of personal data should be sent by e-mail or delivered in person to the Auction House at least 24 hours before the start of the Auction. After positive verification by an employee of the Auction House, the Bidder may participate in the auction of Auction Objects on an ongoing basis via the Internet on the same terms as during a personal auction.

After registering for an Online Auction, the Bidder may also place a limit bid without completing the written "bid order" form.

iv. The bidder's responsibility

During the auction, whether in person, online or by phone, as well as by placing a limit bidding order, the Bidder takes personal responsibility for paying for the auctioned Lots.

3. The course of the auction

a. Accepting offers from Bidders

The auction is started and conducted by the Auctioneer. It indicates the specific Lots that are the subject of the auction, indicates the bid increment, decides on the next bid increments, indicates the Bidders, announces the end of the auction and indicates the winner. The end of the Auction of a given Object takes place when the Auctioneer hits the hammer and is tantamount to concluding a sale agreement or a conditional sale agreement between the Auction House and the Bidder who offered the highest price accepted by the Auctioneer. In the event of an error or a dispute as to the result of the Auction of a given Lot, the Auctioneer may cancel the results of the Auction and again offer the Lot for sale (also immediately after being hit with a hammer). In such a situation, the Auctioneer may also take all rational actions to eliminate the possibility of re-contesting the result of a given Auction. In the event of a dispute regarding the result of the auction of a given Lot that arises after the end of the entire Auction, the results of the sale under the Auction shall be deemed final.

The Auction House may record the course of the Auction with the use of video and sound recording devices.

b. Guarantee prices

The Objects in the Auction may be offered subject to the Guarantee Price. In order to achieve the Guarantee Price of the Object, the Auction House and the employees of the Auction House may submit bids during the auction on behalf of the Seller, without indicating that they do so on behalf of the Seller. This may be done by submitting consecutive bidding bids, or bids in response to bids submitted by other Bidders. If there are no offers for a given Lot, the Auctioneer considers the Lot as unsold.

c. The progress table

The bidding starts with the Starting Price. Before the bidding begins, the Auctioneer indicates the bid increment for a given Lot in accordance with the increment table below. Depending on the course of the Auction, the Auctioneer may, at his discretion, decide on a different increment.

Price	Progress
0 – 1 000 zł	50 zł
1.000 zł – 2.000 zł	100 zł
2.000 zł – 5.000 zł	200 zł
5.000 zł – 10.000 zł	500 zł
10.000 zł – 30.000 zł	1.000 zł
30 000 zł – 100.000 zł	2.000 zł
100.000 zł – 200.000 zł	5.000 zł
200 000 zł- 500.000 zł	10.000 zł
500 000 zł- 1 000.000 zł	20.000 zł
Powyżej 1 000.000 zł	50.000 zł

4. Payments

a. Time and methods of payment

The Bidder who, as a result of accepting his Offer by the Auctioneer, concluded a sales contract with the Auction House, is obliged to pay the price increased by the Auction Fee and possibly additional fees for the purchased Lots within 14 days from the date of the Auction. Above the obligation is independent of the possible obtaining of a license to export abroad or the receipt of other licenses. In the event of concluding a Conditional Sale Agreement, this period runs from the moment the Buyer is informed by the Auction House about the acceptance of its offer by the Seller.

The Auction House accepts the following forms of payment: cash, payment card (the Auction House accepts payments with Master Card and VISA cards) and transfer to a bank account (to the account of the gallery organizing the Auction).

b. Auction fee and droit de suite fee

The auction fee and additional fees resulting from the catalog designations of the Object are added to the auctioned amount. The auction fee is part of the final price of the Lot and

amounts to 20% of the auctioned amount. The additional fees include mainly the fee for the so-called droit de suite, ie the rights of the creator and his heirs to receive remuneration for professionally resale of original copies of works. The fee will be calculated when the bid amount exceeds the equivalent of 100 euro. Above this amount, the fee will be the sum of the rates: 5% of the bid price, if this part is within the range of up to the equivalent of EUR 50,000, and 3% of the auctioned price, if this part is within the range of the equivalent of EUR 50,000.01 to the equivalent of 200 EUR 000 and 1% of the part of the auctioned price, if this part is in the range from the equivalent of EUR 200,000.01 to the equivalent of EUR 350,000, and 0.5% of the part of the auctioned price, if this part is in the range of the equivalent of EUR 350,000, 01 euro up to the equivalent of EUR 500,000 and 0.25% of the part of the auction price, if this part is in the range exceeding the equivalent of EUR 500,000, but in an amount not higher than the equivalent of EUR 12,500. This fee is determined using the average euro exchange rate announced by the National Bank of Poland on the day preceding the Auction day or - in the case of holding the auction on a day after the day on which the average NBP currencies are not published - using the last average euro exchange rate published by the NBP before the auction day.

c. Transfer of ownership of the Object

The ownership of the purchased Object is not transferred to the Buyer until the Auction House receives the full Purchase Price for the Object, including the Auction Fee and other additional fees. The Auction House is not obliged to transfer the possession of the Object to the Buyer until the ownership of the Object is transferred to it.

d. Payment in other currencies

All payments are accepted in Polish zlotys. At the special request of the Bidder and upon prior agreement, including the exchange rate, the Auction House may agree to make payments in euros or US dollars. The value of the transaction paid in a currency other than Polish zloty will be increased by a handling fee of 1% of the purchase price.

5. Receipt of purchase

a. a) Collection at the Gallery of the Auction House - ZbylutGaleria in Warsaw (01-042), ul. Okopowa 52/78

The collection of the auctioned Objects is possible after the full purchase price has been paid and other payments have been made to the Auction House. After the Buyer fulfills all financial obligations towards the Auction House, the Buyer should contact the gallery of the Auction House organizing the Auction in order to determine the place and date of the Object collection.

Before handing over the Object to the Buyer or his representative, the Auction House will require proof of identity. In the case of collection by an attorney, the attorney should identify himself with an appropriate power of attorney issued by the Buyer.

The Buyer should collect the purchased Object within 30 days from the Auction date. After this date, the Auction House may send the auctioned Objects to the external warehouse, and the Buyer will be charged with the costs of transport and storage. The amount of fees will depend on the warehouse operator and the type and size of the Objects. Accepting these Regulations is tantamount to accepting the regulations or general conditions for the provision of services by the entity responsible for transport and storage.

After 30 days from the date of the Auction, the Buyer bears the risk of losing and damaging the unclaimed Object, as well as the burdens related to the Object, including insurance costs. The Auction House is liable to the Buyer for damages due to loss or damage to the Object only up to the amount of the Purchase Price of the Object.

b. Transportation

For the convenience of the Purchaser, the Auction House may offer the basic packaging of the Object for personal collection.

At the Buyer's express request, the Auction House can help in contacting a specialized company dealing with packing and shipping works of art. Each such order is carried out under the responsibility of the Buyer and the Auction House is not responsible for incorrect performance of services by carriers or other third parties.

If the client chooses the transport company himself, its representative should contact the gallery of the Auction House organizing the Auction by phone, at least 24 hours before the scheduled collection of the Object.

c. Export license and export documents

In the case of some Objects, the law requires additional permits to export outside the country. This issue is regulated by the Act of 23 July 2003 on the protection and care of monuments (Journal of Laws No. 162, item 1568, as amended), according to which the export of certain objects outside the country requires the consent of the relevant authorities; this applies in particular to paintings older than 50 years worth over PLN 40,000. The Buyer is obliged to comply with the regulations in this regard, and the inability to obtain the relevant documents or the delay in obtaining them does not justify the withdrawal from the sale or the delay in paying the full Purchase Price for the object.

d. Endangered species

Items made of plant or animal material or containing, inter alia, coral, crocodile skin, ivory, whale bone, rhinoceros horn, tortoise shell, regardless of age, percentage, may require additional permits or certificates prior to exportation. Obtaining documents enabling export is not tantamount to the possibility of importing to another country. The Buyer is obliged to comply with the provisions in this regard, and the inability to obtain the relevant documents or the delay in obtaining them does not justify the withdrawal from the sale or the delay in paying the full Purchase Price for the Object. Objects of this type are marked with the "o"

symbol in the Catalog. The Auction House is not responsible for errors or omissions in the marking of items containing elements made of protected or legally regulated species of plants and animals.

6. Missing payment

If the Buyer fails to pay the entire Purchase Price (including the Auction Fee and any additional Fees) within 14 business days from the Auction date, the Auction House, without prejudice to its other rights, may apply one or more of the following legal measures:

- store the Object in the galleries of the Auction House or another place at the customer's risk and expense, and then make the handing over of the Object conditional on the Buyer's prior payment of all costs arising from the delay in payment of the price;
- withdraw from the contract of sale of the Facility, withholding the existing fees to cover the damage;
- charge statutory interest for delay in payment from the due date of payment to the date of payment of the full Purchase Price, and then make the handover of the Object conditional on the Buyer's early payment of interest due as a result of delayed payment of the price;
- after withdrawing from the contract, resell the Object at the next Auction or privately with the minimum price set by the Auction House. If the Object in the second Auction is sold for an amount lower than the Purchase Price for which the Buyer bids the Lot, the late Buyer, against whom the Auction House has withdrawn from the contract, is obliged to cover the price difference between the price obtained during the next auction or the minimum sale price and the price auctioned by the Buyer.
- initiate legal proceedings against the Buyer to recover the price due;
- set off the Buyer's receivables from the Auction House against the receivables from the Buyer resulting from other transactions, if any;

IV. General provisions

a. Personal data

The Auction House, in connection with the services provided and the legal requirements related to the conduct of the Auction, requires the Bidders to provide personal data or in some cases (e.g. to check the solvency, confirm the customer's identity or to avoid forgery) obtain data about the Bidder from third parties. The Auction House may also use the personal data provided by the Bidder, with his consent, for marketing purposes, providing materials about the Facilities, services or events organized by the Auction House. As regards the processing of personal data, the provisions of the information clause constituting an appendix to these Regulations apply. By accepting these Regulations, the Bidder confirms that he has read the above-mentioned clause and does not make any comments to it.

b. Limitation of liability

The Auction House's liability is limited only to the Purchase Price paid by the Buyer. The Auction House is not liable to the Buyer for damages exceeding the Purchase Price. The Auction House is not responsible for lags or written errors in the information provided to the clients and is not liable to any Bidder for errors during the Auction or committed in any other scope related to the sale of the Lot. These Regulations do not limit the liability of the Auction House to the Buyer resulting from fraud or willful misrepresentation or willful misconduct.

c. Authentication conditions

The authenticity of the Object, within the meaning of these Regulations, means that the Object was properly authored and properly dated. The Auction House guarantees the authenticity of the Objects presented in the Catalog for a period of 5 years from the date of sale by the Auction House with the following reservations:

The Auction House guarantees the authenticity of the Object only to the direct Purchaser of the Object. The above warranty does not cover:

- a. subsequent owners of the Property, including persons who purchased the Property from the direct Buyer against payment, by way of donation or inheritance;
- b. Object with regard to which authorship is in dispute;
- c. Object, the authorship of which is only presumed, which is marked in the Catalog and on the certificate with the following entries: no life dates after the artist's name and surname, the artist's surname preceded only by the initial of the first name, a question mark in parentheses or without brackets ("?" or "(?) ") After the artist's name, before or after the artist's name and surname: " assigned / e / a ", " Attributed "or the abbreviation" Attrib. ";
- d. Object created in a more or less understood circle of influence of the style of a given artist, which in the catalog and on the certificate is marked with the use of one of the following terms before or after the artist's name and surname: "circle", "school" or "imitator";
- e. Object, the authorship of which was consistent with the generally accepted opinion of specialists, scientists and other experts;
- f. Facility for which the annual date of construction specified in the Catalog differs from the actual by less than 15 years;
- g. An object for which the correct age of the century appears in the dating, but the incorrect definition of a part of that century (half or a quarter);

- h. Objects from the 20th century, 19th century and older, in the case of which the actual dating differs from the object specified in the Catalog "in favor" of the object, ie the object turned out to be older than it was stated in the description;
- i. A facility whose description and dating were found to be inaccurate using scientific methods or tests that were not generally accepted at the time of issuing the Catalog, or were considered excessively costly or unfeasible at the time, or could in all probability cause damage or loss of value. Object.

d. Complaints

All possible complaints are dealt with in accordance with the provisions of Polish law. Complaints for non-compliance of the goods with the contract may be submitted by the Buyer within one year of the Goods being released. To persons who are not direct Buyers in the Auction, the Auction House is not responsible for hidden physical defects and legal defects of the purchased Objects.

e. Copyrights

The Sellers do not transfer copyright or the right to reproduce the Object together with the Object.

The copyright for all photos, illustrations and texts related to the Lot, drawn up by or for the Auction House, including the contents of the Catalogs, is the property of the Auction House. They may not be used by the Buyer or other persons without the prior written consent of the Auction House.

f. Applicable Law

These Regulations are subject to Polish law and will be interpreted in accordance with it. These Regulations constitute the entire agreement between the Auction House and the Bidders and supersede any prior agreement or understanding (whether oral or written) between the Auction House and the Bidders regarding the matters covered by these Regulations.

The Auction House informs the Bidders that the following provisions may apply to the subject matter of these Regulations:

- the Act of 23 July 2003 on the protection and care of monuments - export of certain Objects outside the country,
- the Act of November 21, 1996 on museums (Journal of Laws of 1997 No. 5, item 24, as amended) - registered museums have the right to pre-purchase monuments directly at the Auction for the auctioned amount plus the Auction Fee and possibly the fees additional

- the Act of May 25, 2017 on the restitution of national cultural goods (Journal of Laws of 2017, item 1086) - the minister competent for culture and protection of national heritage applies for the return of the national good moved out of the territory of the Republic of Poland in violation of the law Polish culture,
- the Act of March 1, 2018 on counteracting money laundering and terrorist financing (Journal of Laws 2018, item 723, as amended) - the Auction House is obliged to collect personal data of Buyers making transactions in the amount exceeding EUR 10,000.

V. Final provisions

1. These Regulations exhaust all rights and obligations between the parties in relation to the auction sale of the Object.
2. All notifications should be sent in writing to the address of the Auction House Galeria ZbylutGaleria in Warsaw, ul. Zgr. AK Żmija 13a / 5 01-875 Warsaw. Notices addressed to Buyers will be sent to the address provided in the last letter to the Auction House.
3. If any of the provisions of the Regulations prove to be invalid, ineffective or impossible to apply, the remaining provisions will remain in force. Failure to act or delay in exercising the rights arising from the Regulations does not constitute a waiver of rights or release from obligations, nor does it waive the validity of all or part of the provisions of the above Regulations.